



**ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 2009 ASSEMBLY BILL 649**

April 13, 2010 – Offered by Representatives BLACK and SOLETSKI.

1     **AN ACT** *to repeal* 20.155 (3) (s), 196.374 (1) (i), 196.374 (1) (o), 196.374 (3) (b)  
2         (title), 2. (intro.) and a. and 4., 196.374 (5) (bm) (title), 196.374 (5) (bm) 1.,  
3         196.374 (7) (a), 196.374 (7) (b) 2., 196.374 (7) (c), 196.374 (7) (d), 196.377 (title),  
4         196.377 (2), 196.378 (1) (am), 196.378 (1) (b), 196.378 (1) (fr), 196.378 (1) (h) 1.,  
5         1m. and 2., 196.378 (1) (j), 196.378 (1) (o), 196.378 (2) (b) 2., 196.378 (2) (b) 4.  
6         and 5. and 196.378 (4); *to renumber* 16.965 (1) (a), 16.965 (4) (a) to (f), 84.185  
7         (4), 196.025 (1) (ag) 1., 196.25 (1), 196.374 (3) (b) 2. c., d., e., f., g. and h., 196.374  
8         (7) (b) (title), 196.377 (1), 196.378 (1) (c) and (d), 196.378 (1) (fm) (intro.),  
9         196.378 (1) (g), 196.378 (1) (k), 196.378 (1) (p), 196.49 (1), 196.491 (5), 196.493  
10        (2) (b) 3., 196.65 (1), 196.66 (1) and 292.75 (5); *to renumber and amend* 26.38  
11        (2m) (b), 101.027 (1), 196.025 (1) (b) 1., 196.374 (3) (b) 2. b., 196.374 (3) (b) 3.,  
12        196.374 (3) (e), 196.374 (5) (bm) 2., 196.374 (7) (b) 1., 196.374 (8), 196.378 (1)  
13        (intro.) and (ag), 196.378 (1) (ar), 196.378 (1) (fg), 196.378 (1) (fm) 1., 196.378

(1) (fm) 2., 196.378 (1) (h) (intro.), 196.378 (1) (i), 196.378 (2) (c), 196.491 (1) (g), 196.491 (1) (w) 2., 196.491 (3m) (d), 196.493 (1), 196.493 (2) (intro.), 196.493 (2) (a), 196.493 (2) (b) (intro.), 196.493 (2) (b) 1., 196.493 (2) (b) 2., 292.75 (7), 560.032 (1), 560.032 (2), 560.302 and 560.305 (4); **to consolidate, renumber and amend** 196.374 (3) (a) and (b) 1., 196.374 (3) (c) 2. (intro.), a. and b. and 196.374 (5) (b) 1. and (bm) 3.; **to amend** 16.75 (12) (a) 4., 16.965 (2), 16.965 (4) (intro.), 25.96, 66.0602 (2), 66.0627 (title), 66.0627 (1) (a), 66.0627 (8), 77.54 (30) (a) 1m., 79.005 (1b), 79.005 (4) (d), 79.04 (6) (a), 84.185 (3) (a) (intro.), 101.027 (2), 101.027 (3) (a) 1., 101.027 (3) (b) 1., 101.62, 101.63 (1) (intro.), 101.80 (1j), 196.025 (1) (b) 2., 196.025 (1) (c) 1., 196.025 (1) (c) 2., 196.025 (2m) (c), 196.374 (1) (b), 196.374 (1) (c), 196.374 (1) (d), 196.374 (1) (f), 196.374 (1) (j) (intro.), 196.374 (1) (L), 196.374 (2) (a) 1., 196.374 (2) (a) 2. (intro.), 196.374 (2) (a) 2. a., 196.374 (2) (a) 2. b., 196.374 (2) (a) 2. d., 196.374 (2) (a) 3., 196.374 (2) (b) (title), 196.374 (2) (b) 1., 196.374 (2) (b) 2., 196.374 (2) (b) 3., 196.374 (2) (c), 196.374 (3) (c) (title), 196.374 (3) (c) 1., 196.374 (3) (d), 196.374 (3) (f) 1., 196.374 (3) (f) 2., 196.374 (3) (f) 3., 196.374 (3) (f) 4., 196.374 (4) (a) (intro.), 196.374 (4) (a) 1., 196.374 (4) (a) 2., 196.374 (4) (b), 196.374 (5) (a), 196.374 (5) (b) 2., 196.374 (5) (d), 196.374 (5m) (a), 196.374 (5m) (b), 196.374 (6), 196.374 (7) (e) 1. (intro.), 196.374 (7) (e) 1. a., 196.374 (7) (e) 1. b., 196.374 (7) (e) 1. c., 196.378 (2) (a) 1., 196.378 (2) (a) 2. (intro.), 196.378 (2) (a) 2. c., 196.378 (2) (a) 2. d., 196.378 (2) (a) 2. e., 196.378 (2) (b) (intro.), 196.378 (2) (b) 1m. (intro.), 196.378 (2) (b) 1m. a., 196.378 (2) (d) (intro.), 196.378 (2) (e) (intro.), 196.378 (2) (f), 196.378 (2) (g) 2., 196.378 (4m) (a), 196.378 (4m) (b), 196.378 (5) (intro.), 196.378 (5) (a), 196.49 (2), 196.49 (3) (a), 196.49 (4), 196.49 (6), 196.491 (3) (d) (intro.), 196.491 (3) (d) 2., 196.491 (3) (d) 3., 196.491 (3) (g), 196.491 (3m) (title), 196.491 (3m) (a)

1 (intro.), 196.491 (3m) (b) 1. am., 196.491 (3m) (b) 3. b., 196.491 (3m) (c) 1. a.,  
2 196.493 (title), 196.494 (1) (a), 196.52 (9) (g), 196.65 (2), 196.66 (2), 196.66 (4)  
3 (b), 196.795 (11) (b), 196.85 (1m) (a), 299.97 (1), 560.032 (4), 560.081 (2) (e),  
4 560.13 (2) (b) 2., 560.13 (3) (intro.) and 560.205 (1) (g); **to repeal and recreate**  
5 196.374 (7) (e) (title) and 196.378 (3); **to create** 15.347 (3), 16.856, 16.954,  
6 16.956 (1) (bk) and (bn) and (3) (f) to (i), 16.956 (3) (j), 16.965 (1) (ad), 16.965 (1)  
7 (ah), 16.965 (1) (ap), 16.965 (1) (c), 16.965 (4) (bm), 16.965 (5), 20.115 (4) (d),  
8 26.38 (2m) (b) 2., 26.38 (3) (d), 26.42, 36.605, 66.0602 (3) (e) 9., 66.0627 (1) (d),  
9 76.28 (1) (gm) 3., 84.185 (1) (br) and (cr), 84.185 (2) (b) 15., 84.185 (2) (d), 84.185  
10 (2m), 84.185 (4) (b), 93.47, 93.475, 101.02 (22m), 101.02 (23), 101.027 (1g),  
11 101.027 (1r), 101.027 (4), 101.028, 101.63 (1m), 101.80 (2m), 196.025 (1) (ag) 1g.,  
12 196.025 (1) (b) 1. b., 196.025 (1) (c) 3., 196.025 (7), 196.25 (1g), 196.374 (1) (am),  
13 196.374 (1) (dm), 196.374 (1) (er), 196.374 (1) (hm), 196.374 (1) (ig), 196.374 (1)  
14 (ir), 196.374 (1) (j) 8., 196.374 (1) (mb), 196.374 (1) (me), 196.374 (1) (mh),  
15 196.374 (1) (mL), 196.374 (1) (mo), 196.374 (1) (mr), 196.374 (1) (mu), 196.374  
16 (2) (a) 2. e. and f., 196.374 (3) (bc), (bg) (title), 1., 1m. (intro) and 2., (bn), (br) and  
17 (bw) (title), 1., 2., 3., 3r. and 4., 196.374 (3) (c) 2. bm., c., d. and e., 196.374 (3)  
18 (dm), 196.374 (3) (e) 2m., 196.374 (5) (b) 4., 196.374 (5m) (am), 196.374 (7) (am),  
19 196.374 (7) (bg), 196.374 (7) (cm), 196.374 (7) (dm), 196.374 (7) (e) 1. e., 196.374  
20 (8) (a), (b) and (c), 196.374 (9) and (10), 196.378 (1g), 196.378 (1r) (at), 196.378  
21 (1r) (de), 196.378 (1r) (dm), 196.378 (1r) (ds), 196.378 (1r) (dw), 196.378 (1r)  
22 (em), 196.378 (1r) (fg) 2., 196.378 (1r) (fg) 3., 196.378 (1r) (fg) 4., 196.378 (1r)  
23 (fm) 3., 196.378 (1r) (gm), 196.378 (1r) (kg), 196.378 (2) (a) 2. f., 196.378 (2) (a)  
24 2. g., 196.378 (2) (a) 2. h., 196.378 (2) (a) 2. i., 196.378 (2) (am), 196.378 (2) (b)  
25 1g., 196.378 (2) (b) 1j., 196.378 (2) (b) 1r., 196.378 (2) (b) 2m., 196.378 (2) (h),

196.378 (3m), 196.378 (6), 196.49 (1g), 196.49 (3) (cm), 196.49 (5m), 196.491 (1) (g) 2., 196.491 (1) (i), 196.491 (1) (j), 196.491 (1) (w) 2. b., 196.491 (3) (em), 196.491 (3m) (d) 1., 196.491 (3m) (d) 2., 196.491 (5) (am), 196.491 (5) (c) 1. am., 196.491 (5) (c) 2. bm., 196.493 (1g), 196.493 (1r) (ag), 196.493 (1r) (b), 196.493 (2) (am) 1m., 196.493 (2) (am) 2. c., 196.493 (2) (am) 3., 196.493 (2) (am) 4., 196.493 (2) (c), 196.493 (3), 196.493 (4), 196.494 (1) (am), 196.65 (1g), 196.66 (1g), 196.795 (6m) (a) 4m., 196.795 (6m) (cm), 196.80 (1r), 196.85 (1m) (e), 285.60 (11), 292.75 (5) (a) 2m., 292.75 (5) (b), 292.75 (5m), 292.75 (7) (b), 299.03, 299.035, 299.04, 299.045, 343.32 (2) (bs), 346.947, 346.95 (11), 560.032 (1g), 560.032 (1r) (b), 560.032 (2) (b), 560.081 (1m), 560.081 (2) (f) 6., 560.13 (2) (b) 3., 560.13 (3) (em), 560.13 (3m), 560.302 (1m) and 560.305 (4) (b) of the statutes; and **to affect** 1983 Wisconsin Act 401, section 1; **relating to:** allocating a portion of existing tax-exempt industrial development revenue bonding to clean energy manufacturing facilities and renewable power generating facilities; air pollution permits for certain stationary sources reducing greenhouse gas emissions; greenhouse gas emissions and energy use by certain state agencies and state assistance to school districts in achieving energy efficiencies; creating an exception to local levy limits for amounts spent on energy efficiency measures; requiring a report on certain programs to limit greenhouse gas emissions; idling limits for certain motor vehicles; energy efficiency and renewable resource programs; renewable energy requirements of electric utilities and retail cooperatives; authority of the Public Service Commission over nuclear power plants; creating an energy crop reserve program; identification of private forest land; promoting sequestration of carbon in forests, qualifying practices, and cost-share requirements under the

1 forest grant program established by the Department of Natural Resources;  
2 grants to local governments for planning activities; model parking ordinances;  
3 the brownfield site assessment grant program; the main street program; the  
4 brownfields grant program; the forward innovation fund; the transportation  
5 facilities economic assistance and development program; a study of biomass  
6 availability; goals for reductions in greenhouse gas emissions, for construction  
7 of zero net energy buildings, and for energy conservation; information,  
8 analyses, reports, education, and training concerning greenhouse gas  
9 emissions and climate change; energy conservation codes for public buildings,  
10 places of employment, one- and two-family dwellings, and agricultural  
11 facilities; design standards for state buildings; granting rule-making  
12 authority; requiring the exercise of rule-making authority; and providing a  
13 penalty.

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

14 **SECTION 1.** 15.347 (3) of the statutes is created to read:

15 15.347 (3) CLIMATE CHANGE COORDINATING COUNCIL. (a) *Creation; membership.*

16 There is created in the department of natural resources a climate change  
17 coordinating council consisting of the following members:

18 1. The secretary of administration or his or her designee.

19 2. The secretary of natural resources or his or her designee.

20 3. The secretary of commerce or his or her designee.

21 4. The secretary of agriculture, trade and consumer protection or his or her  
22 designee.

23 5. The secretary of health services or his or her designee.

6. The secretary of transportation or his or her designee.

7. The president of the University of Wisconsin System or his or her designee.

8. The chairperson of the public service commission or his or her designee.

9. The executive director of the office of energy independence or his or her designee.

10. One person to represent the governor, appointed to a 4-year term.

(b) *Designees.* A person who is authorized under par. (a) to appoint a designee may only appoint a designee who is an employee or appointive officer of the person's agency.

**SECTION 2.** 16.75 (12) (a) 4. of the statutes is amended to read:

16.75 **(12)** (a) 4. "Renewable resource" has the meaning given in s. ~~196.378 (1)~~ ~~(h) 1. or 2. and includes a resource, as defined in s. 196.378 (1) (j), that derives electricity from hydroelectric power~~ 196.374 (1) (j).

**SECTION 3.** 16.856 of the statutes is created to read:

**16.856 Design standards for state buildings. (1)** In this section:

(a) "Major construction project" means a project to construct or expand a state building; a project to repair, renew, or renovate an existing state building that affects at least 35,000 square feet of enclosed space; or a project that affects the envelope or heating, ventilation, or air conditioning system of an existing state building.

(b) "Minor construction project" means a project to construct, repair, renew, renovate, or expand a state building that is not a major construction project.

**(2)** The department shall ensure that the plans and specifications for each major construction project conform to the design standards promulgated by the department of commerce under s. 101.027 (4) unless the department or the building

1 commission is required by another law to apply a stricter standard for the plans or  
2 specifications.

3 (3) The department shall ensure that the plans and specifications for each  
4 minor construction project conform to the design standards promulgated by the  
5 department of commerce under s. 101.027 (4) if the department determines that  
6 compliance is technically feasible and cost effective. This subsection does not apply  
7 if the department or the building commission is required by another law to apply a  
8 stricter standard for the plans or specifications.

9 **SECTION 4.** 16.954 of the statutes is created to read:

10 **16.954 Greenhouse gas emission; energy use. (1)** In this section:

11 (a) “Agency” has the meaning given in s. 16.70 (1e).

12 (b) “Biomass” has the meaning given in s. 196.374 (1) (am).

13 (c) “Greenhouse gas” has the meaning given in s. 299.03 (1) (d).

14 (2) The department shall prescribe guidelines and protocols for use by agencies  
15 to which s. 299.045 applies in:

16 (a) Estimating the amount of greenhouse gas emissions that are attributable  
17 to activities of each of those agencies under s. 299.045 (2).

18 (b) Establishing achievable goals for the reduction in greenhouse gas emissions  
19 that are attributable to each of those agencies under s. 299.045 (3) (a).

20 (c) Developing plans to achieve the goals established under s. 299.045 (3) (a).

21 (3) The department shall assist agencies to which s. 299.045 applies in  
22 complying with s. 299.045 with regard to energy use in facilities used by the agencies.

23 (4) The department shall establish a schedule of energy efficiency goals for  
24 each agency to which s. 299.045 applies that are designed to ensure that, by 2030,

1 the overall energy use by all agencies is reduced to a level that is 30 percent lower  
2 than the overall energy use by all agencies in 2005.

3 **(5)** The department shall establish goals for each agency to which s. 299.045  
4 applies that are designed to ensure that overall use by all agencies of energy derived  
5 from biomass sources is at least equivalent to the following percentages by the dates  
6 specified:

7 (a) Ten percent by 2010.

8 (b) Fifteen percent by 2015.

9 (c) Twenty percent by 2020.

10 (d) Twenty-five percent by 2025.

11 **(6)** No later than July 1 of each odd-numbered year, the department of  
12 administration shall prepare and submit to the department of natural resources a  
13 report that summarizes the reports received under s. 299.045 (5) in that year.

14 **SECTION 5.** 16.956 (1) (bk) and (bn) and (3) (f) to (i) of the statutes are created  
15 to read:

16 16.956 **(1)** (bk) “Biomass” has the meaning given in s. 196.374 (1) (am).

17 (bn) “Greenhouse gas” has the meaning given in s. 299.03 (1) (d).

18 **(3)** (f) Assist agencies to which s. 299.045 applies in complying with s. 299.045  
19 with regard to the use of transportation fuels by the agencies and their officers,  
20 employees, and agents.

21 (g) Provide information to school districts regarding opportunities to minimize  
22 expenses and environmental impacts through the modification of facilities and  
23 operational practices that maximize the efficiency of energy use, maximize the use  
24 of renewable energy resources, and otherwise minimize emissions of greenhouse  
25 gases.



1 (h) Encourage and assist school districts to voluntarily conduct the analyses  
2 described in s. 299.045 (2), establish achievable goals for the reduction of greenhouse  
3 gas emissions identified in their analyses as provided in s. 299.045 (3), and develop  
4 and implement a plan for achieving their goals by means of specific actions to be  
5 taken by specific dates.

6 (i) No later than July 1 of each odd-numbered year, report to the departments  
7 of administration and natural resources regarding the voluntary participation of  
8 school districts in the establishment of goals and the development and  
9 implementation of plans for achieving goals under par. (h), the accomplishments of  
10 school districts in implementing those plans, and the verifiable reductions of energy  
11 use, greenhouse gas emissions, and school district expenses attributable to  
12 implementation of those plans.

13 **SECTION 6.** 16.956 (3) (j) of the statutes is created to read:

14 16.956 (3) (j) Annually compile a report containing statistics on energy use and  
15 production in this state and make the report available on its Internet site.

16 **SECTION 7.** 16.965 (1) (a) of the statutes is renumbered 16.965 (1) (at).

17 **SECTION 8.** 16.965 (1) (ad) of the statutes is created to read:

18 16.965 (1) (ad) “Comprehensive plan” has the meaning given in s. 66.1001 (1)  
19 (a).

20 **SECTION 9.** 16.965 (1) (ah) of the statutes is created to read:

21 16.965 (1) (ah) “Conservation subdivision” has the meaning given in s. 66.1027  
22 (1) (a).

23 **SECTION 10.** 16.965 (1) (ap) of the statutes is created to read:

24 16.965 (1) (ap) “Greenhouse gas” has the meaning given in s. 299.03 (1) (d).

25 **SECTION 11.** 16.965 (1) (c) of the statutes is created to read:

1           16.965 (1) (c) “Traditional neighborhood development” has the meaning given  
2 in s. 66.1027 (1) (c).

3           **SECTION 12.** 16.965 (2) of the statutes is amended to read:

4           16.965 (2) From the appropriations under s. 20.505 (1) (cm) and (if), the  
5 department may provide grants to local governmental units to be used to finance the  
6 cost of planning activities, including contracting for planning consultant services,  
7 public planning sessions and other planning outreach and educational activities, or  
8 for the purchase of computerized planning data, planning software or the hardware  
9 required to utilize that data or software. The department shall require any local  
10 governmental unit that receives a grant under this ~~section~~ subsection to finance a  
11 percentage of the cost of the product or service to be funded by the grant from the  
12 resources of the local governmental unit. The department shall determine the  
13 percentage of the cost to be funded by a local governmental unit based on the number  
14 of applications for grants and the availability of funding to finance grants for the  
15 fiscal year in which grants are to be provided. A local governmental unit that desires  
16 to receive a grant under this subsection shall file an application with the department.  
17 The application shall contain a complete statement of the expenditures proposed to  
18 be made for the purposes of the grant. No local governmental unit is eligible to  
19 receive a grant under this subsection unless the local governmental unit agrees to  
20 utilize the grant to finance planning for all of the purposes specified in s. 66.1001 (2).

21           **SECTION 13.** 16.965 (4) (intro.) of the statutes is amended to read:

22           16.965 (4) (intro.) In determining whether to approve a proposed grant under  
23 sub. (2), preference shall be accorded to ~~applications of local~~ all of the following:

24           ~~(am)~~ Local governmental units that whose applications contain all of the  
25 following elements:

**SECTION 14.** 16.965 (4) (a) to (f) of the statutes are renumbered 16.965 (4) (am) 1. to 6.

**SECTION 15.** 16.965 (4) (bm) of the statutes is created to read:

16.965 (4) (bm) Local governmental units that have in effect comprehensive plans that achieve the goals in par. (am) 2., have adopted ordinances for traditional neighborhood development or conservation subdivisions, and have submitted applications that include planning efforts to increase overall residential densities through measures such as the following:

1. Allowing construction of a mix of residential uses within one zoning district.
2. Allowing construction of a mix of residential and commercial uses within one zoning district.
3. Allowing 2–family residences to be built in all zoning districts in which single–family residences may be built.
4. Establishing a maximum lot size for single–family residences.
5. In rural areas, eliminating 35–acre minimum lot sizes for residences.
6. Reducing residential street widths.

**SECTION 16.** 16.965 (5) of the statutes is created to read:

16.965 (5) (a) In addition to grants under sub. (2), from the appropriations under s. 20.505 (1) (cm) and (if), the department may provide grants to local governmental units to be used to finance the development or implementation of ordinances for traditional neighborhood development or conservation subdivisions or to finance planning efforts to increase overall residential densities through measures such as those described in sub. (4) (bm) 1. to 6. Only local governmental units that have in effect comprehensive plans that achieve the goals in sub. (4) (am) 2. are eligible for grants under this subsection. The department shall require any

1 local governmental unit that receives a grant under this subsection to finance a  
2 percentage of the cost of the product or service to be funded by the grant from the  
3 resources of the local governmental unit. The department shall determine the  
4 percentage of the cost to be funded by a local governmental unit based on the number  
5 of applications for grants and the availability of funding to finance grants for the  
6 fiscal year in which grants are to be provided. A local governmental unit that desires  
7 to receive a grant under this subsection shall file an application with the department.  
8 A local governmental unit shall include in its application a complete statement of the  
9 expenditures proposed to be made for the purposes of the grant.

10 (b) The department may not limit the eligibility of a local governmental unit  
11 for a grant under this subsection on grounds related to the previous receipt of a grant  
12 under sub. (2) by the local governmental unit.

13 **SECTION 17.** 20.115 (4) (d) of the statutes is created to read:

14 20.115 **(4)** (d) *Energy crop reserve program; payments.* The amounts in the  
15 schedule for payments under the energy crop reserve program under s. 93.47.

16 **SECTION 18.** 20.155 (3) (s) of the statutes is repealed.

17 **SECTION 19.** 25.96 of the statutes is amended to read:

18 **25.96 Utility public benefits fund.** There is established a separate  
19 nonlapsible trust fund designated as the utility public benefits fund, consisting of  
20 low-income assistance fees received under s. 16.957 (4) (a) and (5) (b) 2. ~~and all~~  
21 ~~moneys received under s. 196.374 (3) (b) 4.~~

22 **SECTION 20.** 26.38 (2m) (b) of the statutes is renumbered 26.38 (2m) (b) 1. and  
23 amended to read:

24 26.38 **(2m)** (b) 1. ~~Each~~ Except as provided under subd. 2., each recipient of a  
25 grant under this section shall provide a matching contribution in an amount to be

determined by the department for that particular grant based on criteria promulgated by rule under sub. (3). The matching contribution may be in the form of money or in-kind goods or services or both.

**SECTION 21.** 26.38 (2m) (b) 2. of the statutes is created to read:

**26.38 (2m) (b) 2.** If a grant to implement a forest stewardship management plan includes a requirement that the recipient plant and maintain trees, the recipient shall provide a matching contribution of not more than 25 percent of that portion of the grant that is for the cost of planting and maintaining the trees, subject to the availability of funds.

**SECTION 22.** 26.38 (3) (d) of the statutes is created to read:

**26.38 (3) (d)** A description of the forest stewardship management plan practices that are eligible for funding under this section. Eligible practices shall include establishing and maintaining trees; implementing measures to protect those trees from damage caused by deer; and implementing measures that promote forest health, including insect and disease control.

**SECTION 23.** 26.42 of the statutes is created to read:

**26.42 Carbon sequestration in forests. (1) DEFINITIONS.** In this section:

(a) “Cap and trade program” has the meaning given in s. 299.04 (1) (a).

(am) “Carbon sequestration” has the meaning given in s. 299.03 (1) (bm).

(b) “Greenhouse gas” has the meaning given in s. 299.03 (1) (d).

(c) “Sustainable forestry” has the meaning given in s. 28.04 (1) (e).

**(2) STANDARDS AND PRACTICES.** (a) Subject to par. (b), the department, in cooperation with the department of agriculture, trade and consumer protection, the University of Wisconsin–Extension, and the council on forestry, shall specify standards and practices for monitoring and measuring carbon sequestration by

1 forests, including standards and practices for voluntary carbon accounting on forest  
2 lands of the state. The department shall design the standards and practices to  
3 conform with regional or national systems for trading credits for greenhouse gas  
4 emissions.

5 (b) Paragraph (a) does not apply until a regional or national cap and trade  
6 program that applies to any person in this state is enacted or adopted.

7 **(3) TECHNICAL ASSISTANCE.** The department, in cooperation with the  
8 department of agriculture, trade and consumer protection and the University of  
9 Wisconsin–Extension, shall provide technical assistance to promote the use of  
10 sustainable forestry practices that increase carbon sequestration by persons who  
11 own forest lands of the state and to assist them, through the use of those practices,  
12 to generate credits that may be used to satisfy limits on emissions of greenhouse  
13 gases and to sell the credits.

14 **(4) IDENTIFICATION AND NOTIFICATION OF OWNERS OF PRIVATE FOREST LANDS.** Using  
15 the land cover database developed under s. 299.03 (5) (b) 3., county land records,  
16 geographic information systems, and other methods, the department shall identify,  
17 to the extent practicable, persons who own private forest lands and who do not  
18 participate in forestry programs administered by the department. The department  
19 shall notify persons identified under this subsection about information and technical  
20 assistance that is available from the department concerning carbon sequestration  
21 and sustainable forest management.

22 **SECTION 24.** 36.605 of the statutes is created to read:

23 **36.605 Extension's model parking ordinances.** (1) The extension, in  
24 consultation with the advisory committee appointed under sub. (3), shall develop 2  
25 or more model market pricing parking ordinances. At least one ordinance shall be

1 tailored to parking in urban areas and at least one ordinance shall be tailored to  
2 parking in nonurban areas. Each ordinance shall include market pricing methods  
3 for on-street parking, parking structures, and fee lots. Each ordinance shall also  
4 include preferred parking opportunities for vehicles with relatively low emissions of  
5 greenhouse gases, as defined in s. 299.03 (1) (d), considering the complexities of  
6 determining whether particular vehicles should be eligible for preferred parking  
7 opportunities. In developing these model ordinances, the extension shall evaluate  
8 current practices with respect to mandatory minimum parking space requirements  
9 for public buildings.

10 **(2)** Upon completion of the model ordinances under sub. (1), the extension shall  
11 make these model ordinances publicly available to interested persons and shall  
12 provide these model ordinances to organizations representing local units of  
13 government in this state.

14 **(3)** The extension shall appoint and convene an advisory committee to provide  
15 guidance to the extension in the development of the model ordinances under sub. (1).  
16 The advisory committee shall include at least one member from the department of  
17 transportation. The provisions of s. 15.04 (1) (c) shall apply to the members of the  
18 advisory committee as if the committee had been created and appointed by the board.

19 **SECTION 25.** 66.0602 (2) of the statutes, as affected by 2009 Wisconsin Act 28,  
20 is amended to read:

21 66.0602 **(2) LEVY LIMIT.** Except as provided in subs. (3), (4), and (5), no political  
22 subdivision may increase its levy in any year by a percentage that exceeds the  
23 political subdivision's valuation factor. The base amount in any year, to which the  
24 limit under this section applies, shall be the maximum allowable levy for the  
25 immediately preceding year. In determining its levy in any year, a city, village, or

town shall subtract any tax increment that is calculated under s. 59.57 (3) (a), 60.85 (1) (L), or 66.1105 (2) (i). The base amount in any year, to which the limit under this section applies, may not include any amount to which sub. (3) (e) 8. or 9. applies.

**SECTION 26.** 66.0602 (3) (e) 9. of the statutes is created to read:

66.0602 (3) (e) 9. The amount that a political subdivision levies in that year to pay for energy efficiency measures and renewable energy products that result in the avoidance of, or reduction in, energy costs. The department of administration shall promulgate rules to facilitate the implementation of this subdivision by creating standards and definitions for terms including energy efficiency measures, renewable energy products, and energy costs.

**SECTION 27.** 66.0627 (title) of the statutes, as affected by 2009 Wisconsin Act 11, is amended to read:

**66.0627 (title) Special charges for current services and energy and water efficiency improvement loans.**

**SECTION 28.** 66.0627 (1) (a) of the statutes, as created by 2009 Wisconsin Act 11, is amended to read:

66.0627 (1) (a) “Energy efficiency improvement” means an improvement to a residential, commercial, or industrial premises that reduces the usage of energy, or increases the efficiency of energy usage, at the premises.

**SECTION 29.** 66.0627 (1) (d) of the statutes is created to read:

66.0627 (1) (d) “Water efficiency improvement” means an improvement to a residential, commercial, or industrial premises that reduces the usage of water, or increases the efficiency of water usage, at the premises.

**SECTION 30.** 66.0627 (8) of the statutes, as created by 2009 Wisconsin Act 11, is amended to read:



1           66.0627 **(8)** A political subdivision may make a loan to ~~a resident of~~ an owner  
2 or lessee of a premises located in the political subdivision for making or installing an  
3 energy efficiency improvement, a water efficiency improvement, or a renewable  
4 resource application to the ~~resident's residential property premises~~, or enter into an  
5 agreement with the owner or lessee regarding loan repayments to a 3rd party for  
6 owner-arranged or lessee-arranged financing for such purposes. If a political  
7 subdivision makes such a loan or enters into such an agreement, the political  
8 subdivision may collect the loan repayment as a special charge under this section.  
9 Notwithstanding the provisions of sub. (4), a special charge imposed under this  
10 subsection may be collected in installments and may be included in the current or  
11 next tax roll for collection and settlement under ch. 74 even if the special charge is  
12 not delinquent.

13           **SECTION 31.** 76.28 (1) (gm) 3. of the statutes is created to read:

14           76.28 **(1)** (gm) 3. A nonutility nuclear power plant, as defined in s. 196.491 (1)  
15 (i), that has a total power production capacity of at least 50 megawatts. This  
16 subdivision takes effect on the date specified in the notice published under s. 196.493  
17 (3) (b).

18           **SECTION 32.** 77.54 (30) (a) 1m. of the statutes is amended to read:

19           77.54 **(30)** (a) 1m. Biomass, as defined in s. ~~196.378 (1) (ar)~~ 196.374 (1) (am),  
20 that is used for fuel sold for residential use.

21           **SECTION 33.** 79.005 (1b) of the statutes is amended to read:

22           79.005 **(1b)** “Alternative energy resource” means a renewable resource, as  
23 defined in s. ~~196.378 (1) (h)~~ 196.374 (1) (j); garbage, as defined in s. 289.01 (9); or  
24 nonvegetation-based industrial, commercial, or household waste.

25           **SECTION 34.** 79.005 (4) (d) of the statutes is amended to read:

1           79.005 (4) (d) Replacing steam generating equipment at a combustion-based  
2 renewable facility, as defined in s. 196.378 (1) (1r) (g), that is located in this state, to  
3 increase efficiency or capacity, if the facility remains a combustion-based renewable  
4 facility, as defined in s. 196.378 (1) (1r) (g), after replacing the equipment.

5           **SECTION 35.** 79.04 (6) (a) of the statutes is amended to read:

6           79.04 (6) (a) Annually, beginning in 2005, for production plants that begin  
7 operation after December 31, 2003, or begin operation as a repowered production  
8 plant after December 31, 2003, except as provided in sub. (4m), the department of  
9 administration, upon certification by the department of revenue, shall distribute  
10 payments from the public utility account, as determined under par. (b), to each  
11 municipality and county in which a production plant is located, if the production  
12 plant has a name-plate capacity of at least one megawatt and is used by a light, heat,  
13 or power company assessed under s. 76.28 (2) or 76.29 (2), except property described  
14 in s. 66.0813, unless the production plant is owned or operated by a local  
15 governmental unit located outside of the municipality; by a qualified wholesale  
16 electric company, as defined in s. 76.28 (1) (gm); by a wholesale merchant plant, as  
17 defined in s. 196.491 (1) (w); by an electric cooperative assessed under ss. 76.07 and  
18 76.48, respectively; ~~or~~ by a municipal electric company under s. 66.0825; or,  
19 beginning on the date specified in the notice published under s. 196.493 (3) (b), by  
20 a nonutility nuclear power plant, as defined in s. 196.491 (1) (i).

21           **SECTION 36.** 84.185 (1) (br) and (cr) of the statutes are created to read:

22           84.185 (1) (br) “Greenhouse gas” has the meaning given in s. 299.03 (1) (d).

23           (cr) “Traditional neighborhood development” has the meaning given in s.  
24 66.1027 (1) (c).

25           **SECTION 37.** 84.185 (2) (b) 15. of the statutes is created to read:

1           84.185 (2) (b) 15. Whether the improvement is a qualifying improvement under  
2   sub. (2m).

3           **SECTION 38.** 84.185 (2) (d) of the statutes is created to read:

4           84.185 (2) (d) The secretary may give greater weight to the criterion under par.  
5   (b) 15. than to the other criteria under par. (b) in determining whether to approve an  
6   improvement.

7           **SECTION 39.** 84.185 (2m) of the statutes is created to read:

8           84.185 (2m) QUALIFYING IMPROVEMENTS. An improvement is a qualifying  
9   improvement for the purposes of subs. (2) (b) 15. and (4) (b) if the improvement will  
10   result in a reduction of travel, energy use, or emissions of greenhouse gases or if any  
11   of the following applies:

12           (a) The improvement is located in an area that is both designated for traditional  
13   neighborhood development in a comprehensive plan adopted under s. 66.1001 and  
14   to be developed as a traditional neighborhood development under an ordinance  
15   consistent with the model ordinance under s. 66.1027 (2) and any of the following  
16   applies:

17           1. The area is surrounded by or is adjacent to existing development.

18           2. The area is within a sewer service territory in the sewer service area  
19   provisions of an areawide water quality management plan under s. 283.83 approved  
20   by the department of natural resources.

21           3. The area consists primarily of blighted properties.

22           4. The area meets other criteria, specified by the department by rule, designed  
23   to ensure that the project reduces greenhouse gas emissions.

(b) The political subdivision in which the improvement is located has adopted the design standards under s. 101.027 (4) and the improvement is in an area that is subject to the design standards.

(c) All of the following apply:

1. The improvement is located in an area that is subject to either a charter under s. 299.83 (7e) issued to an association of entities that includes the political subdivision in which the area is located or a participation contract under s. 299.83 (6) entered into by the city, village, town, or county in which the area is located.

2. The department of natural resources determines, in consultation with the department of commerce, the department of administration, the public service commission, and the office of energy independence, that implementation of the charter is likely to result in significant reductions in emissions of greenhouse gases or in energy use by public or private entities within the political subdivision.

(d) The improvement is located in a political subdivision that participates in tier I under s. 299.83 (3), the area in which the improvement is located is affected by the participation in tier I, and the department of natural resources determines, in consultation with the department of commerce, the department of administration, the public service commission, and the office of energy independence, that the participation in tier I is likely to result in significant reductions in emissions of greenhouse gases or in energy use by public or private entities within the political subdivision.

**SECTION 40.** 84.185 (3) (a) (intro.) of the statutes is amended to read:

**84.185 (3) (a) (intro.)** When awarding a grant under this section, the department shall establish a grant ceiling. Except as provided in par. (b) 2., the grant ceiling shall not be amended after the secretary has approved an application for

1 funding. Except as provided in par. (b) and sub. (4) (b), the grant ceiling shall be the  
2 lesser of the following:

3 **SECTION 41.** 84.185 (4) of the statutes is renumbered 84.185 (4) (a).

4 **SECTION 42.** 84.185 (4) (b) of the statutes is created to read:

5 84.185 (4) (b) The rules promulgated under this subsection may provide for all  
6 of the following with respect to an improvement that is a qualifying improvement  
7 under sub. (2m) and that is the subject of an agreement under sub. (7m) between the  
8 department and a governing body:

- 9 1. A grant ceiling that is higher than the grant ceiling specified in sub. (3).  
10 2. Different standards related to job creation or retention, or both, than those  
11 that would apply under sub. (2) (b) 3. and 4. to an improvement that is not a  
12 qualifying improvement.

13 **SECTION 43.** 93.47 of the statutes is created to read:

14 **93.47 Energy crop reserve program. (1) DEFINITIONS.** In this section:

15 (a) “Agronomic practices” means agricultural practices generally associated  
16 with row cropping, including row crop production, soil management, and cultivation.

17 (b) “Native sod” means land on which the plant cover is composed principally  
18 of native grasses, grass-like plants, forbs, or shrubs suitable for grazing and  
19 browsing, and that has never been tilled for the production of an annual crop.

20 (c) “Short rotation woody crop” means a woody crop, including willows and  
21 poplars, grown using agronomic practices.

22 **(2) PROGRAM.** The department shall administer a program in which it pays  
23 persons to establish and produce any eligible perennial herbaceous crop or short  
24 rotation woody crop for the production of energy or fuel.

1           **(3) CONTRACT.** (a) The department may enter into a contract, for a period not  
2 to exceed 10 years, with a person who applies to participate in the program under this  
3 section if all of the following are satisfied:

- 4           1. The person is eligible under sub. (5).
- 5           2. The person's land is eligible for enrollment under sub. (6).
- 6           3. The person is producing or will produce an energy crop eligible under sub.  
7 (7).

8           (b) The department may renew a contract entered into under this section.

9           (c) A person who has entered into a contract with the department and enrolled  
10 eligible land in the program under this section may enter into additional contracts  
11 with the department to enroll additional eligible land in the program under this  
12 section.

13           (d) If applicable, a person who enters into a contract under this section shall  
14 comply with each of the following on all lands under the person's control:

- 15           1. Sustainable planting and harvesting requirements established by the  
16 department by rule for perennial herbaceous crops or for short rotation woody crops.
- 17           2. Notwithstanding s. 281.16 (3) (e), the performance standards, prohibitions,  
18 conservation practices, and technical standards under s. 281.16 (3) (a) to (c).

19           **(4) PAYMENTS; LIMITATIONS.** (a) Subject to the limitations under par. (b), from  
20 the appropriation under s. 20.115 (4) (d), the department may make any of the  
21 following payments to a person with whom the department has entered into a  
22 contract under sub. (3) if the person is eligible for the payment:

- 23           1. Cost-sharing payments equal to a percentage, specified by the department  
24 under sub. (8) (c), of the cost to establish an energy crop on the land enrolled under  
25 the contract.

1           2. Income replacement payments of a percentage, specified by the department  
2           under sub. (8) (d), of the average annual net income the person earned from the land  
3           enrolled under the contract in the 5 consecutive years before the land was enrolled  
4           in the program under this section. The person may receive an annual payment under  
5           this subsection until the person is eligible to receive or has received a production  
6           payment under subd. 3. for energy crops harvested on land enrolled under the  
7           contract, or for the number of years specified by the department under sub. (8) (d)  
8           1., whichever is less. A payment under this subdivision may replace a portion of the  
9           payment, as specified by the department under sub. (8) (d) 2., the person had received  
10          under the conservation reserve program under 16 USC 3831 to 3836.

11          3. Production payments, of an amount determined by the department under  
12          sub. (8) (e), for each ton of energy crop harvested and used to produce energy or fuel  
13          or sold to a person that will use the crop to produce energy or fuel.

14          (b) 1. If the total amount of payments to be made under par. (a) in a fiscal year  
15          would exceed the amount available from the appropriation under s. 20.115 (4) (d), the  
16          department shall prorate the payments among all persons eligible to receive a  
17          payment under par. (a) in that fiscal year.

18          2. No person eligible to receive a payment under par. (a) may receive payments  
19          in excess of the amount established by the department under sub. (8) (g).

20          **(5) ELIGIBILITY.** A person is eligible to participate in the program under this  
21          section if any of the following applies:

22               (a) The person owns land eligible to be enrolled in the program.

23               (b) The person controls land eligible to be enrolled in the program under a lease  
24          that covers the contract period established under sub. (3).

1           **(6) ENROLLMENT.** (a) Except as provided in par. (b), a person eligible under sub.  
2           (5) may apply to enroll in the program under this section any land in this state that  
3           is used or suitable for growing the crops identified under sub. (7).

4           (b) The following land may not be enrolled in the program under this section:

5           1. Federally owned land, other than land in this state held in trust by the  
6           federal government for an American Indian or a federally recognized American  
7           Indian tribe or band.

8           2. Land owned by a municipality. In this subdivision, “municipality” has the  
9           meaning given in s. 66.0301 (1) (a).

10          3. Land that is in native sod on the effective date of this subdivision .... [LRB  
11          inserts date].

12          4. Land enrolled in the program under subch. I or subch. VI of ch. 77.

13          5. Land enrolled in any of the following:

14          a. The conservation reserve program under 16 USC 3831 to 3836.

15          b. The wetlands reserve program under 16 USC 3837 to 3837f.

16          c. The grassland reserve program under 16 USC 3838n to 3838q.

17          d. The biomass crop assistance program under 7 USC 8111.

18          **(7) ELIGIBLE ENERGY CROPS.** (a) Except as provided in par. (b), a person may  
19          receive payments under this section for the production of any perennial herbaceous  
20          crop or short rotation woody crop to be harvested and used to produce energy or fuel.

21          (b) No payments may be received under this section for the growth of any of the  
22          following:

23          1. A crop that is produced and harvested for a purpose other than the  
24          production of energy or fuel, even if the residue of the crop may be used to produce  
25          energy or fuel.



1           2. Any plant identified by the department of natural resources under s. 23.22  
2 as invasive or having the potential to become invasive.

3           3. Any other crop specified by the department by rule.

4           **(8) RULE MAKING.** The department of agriculture, trade and consumer  
5 protection shall promulgate the following by rule and shall consult with the  
6 department of natural resources in the preparation of any rules that affect the  
7 natural resources of this state:

8           (a) Rules to implement and administer the program under this section,  
9 including all of the following:

10           1. The application form and procedures for applying.

11           2. Procedures and criteria for the review and approval or rejection of an  
12 application.

13           3. Procedures and criteria for disbursing payments under the program,  
14 including prorating of payments under sub. (4) (b) 1.

15           4. Reporting required of persons who have entered into a contract with the  
16 department under sub. (3).

17           5. Conditions under which a person may reenroll land under this section.

18           (b) Crops ineligible for payments, as described under sub. (7) (b).

19           (c) The amount of, limits on, and procedures for calculating cost-sharing  
20 payments available to persons under sub. (4) (a) 1., including the manner in which  
21 the amounts of or limits on cost-sharing payments will vary with the energy crops  
22 being established and the costs required to establish that energy crop.

23           (d) The amount of, limits on, and procedures for calculating income  
24 replacement payments under sub. (4) (a) 2., including all of the following:

1           1. The maximum number of years a person may receive payments under sub.  
2           (4) (a) 2., which number shall depend upon the time required to establish the energy  
3           crop being established by the person.

4           2. Limits on the amount or percent of income from payments received under  
5           the federal conservation reserve program, 7 USC 3831 to 3836, that may be included  
6           in the calculation of income replacement under sub. (4) (a) 2. The rules promulgated  
7           under this subdivision shall be designed to provide an incentive for persons who  
8           remove their land from the federal conservation reserve program to enroll the land  
9           in the program under this section, but small enough that those persons will not  
10          choose to withdraw their land from the federal conservation reserve program solely  
11          for the purpose of receiving payments under sub. (4) (a) 2.

12          (e) The amount of and limits on production payments made under sub. (4) (a)  
13          3., including the manner in which the amount of the payment available to a person  
14          under sub. (4) (a) 3. will vary depending upon the energy or fuel derived from the  
15          particular energy crop produced, the costs to produce the energy crop, and other  
16          factors consistent with the objectives of the program under this section.

17          (f) Procedures and criteria for allocating funds available from the  
18          appropriation under s. 20.115 (4) (d) between cost-sharing payments, income  
19          replacement payments, and production payments.

20          (g) Limits on the amount of payments that a person with whom the department  
21          has entered into a contract under sub. (3) may receive in any payment category under  
22          sub. (4) (a), in any contract year, and over the duration of the contract.

23          (h) Requirements for sustainable planting and harvesting practices, including  
24          practices to minimize consumptive water use and maximize water conservation,

1 applicable to persons with whom the person has entered into a contract under sub.  
2 (3).

3 (i) Rules to establish priorities for entering into contracts with persons and  
4 enrolling land in the program under this section, and for making payments to a  
5 person who has entered into a contract under sub. (3), based upon the attributes of  
6 the land, the agricultural practices of the person, or any other pertinent factors to  
7 advance all of the following objectives:

8 1. Maximizing carbon sequestration, as defined in s. 299.03 (1) (bm).

9 2. Minimizing life-cycle greenhouse gas emissions of the production,  
10 harvesting, processing, and distribution of the energy crop by minimizing any of the  
11 following:

12 a. The distance the energy crop must be transported between the point of  
13 production and the point of end use.

14 b. The use of fossil fuels to plant, cultivate, and harvest the energy crop.

15 c. The application of fertilizer and pesticide in connection with the production  
16 of the energy crop.

17 d. Other energy-consuming practices.

18 3. The preservation of farmland through a farmland preservation agreement  
19 or farmland preservation zoning.

20 4. Providing soil and water conservation or wildlife preservation benefits.

21 **(9) PROGRAM OUTCOMES AND REPORTS.** The department of agriculture, trade and  
22 consumer protection shall, no later than July 1 of each odd year, submit to the  
23 departments of administration and natural resources a report containing all of the  
24 following information about the program under this section:

25 (a) The number of acres of land enrolled in the program.

(b) The number of tons and the energy content of each energy crop harvested under the program.

(c) Costs of the program.

(d) The extent to which the program under this section complements and is coordinated with the biomass crop assistance program under 7 USC 8111.

(e) Any recommendations for legislation to improve the program under this section.

**SECTION 44.** 93.475 of the statutes is created to read:

**93.475 Bioenergy feedstock production, sustainable forestry, carbon sequestration and biomass and agricultural production incentive studies.**

**(1)** In this section:

(a) “Bioenergy feedstock” means biomass used to produce energy, including heat or electricity, or to produce a fuel, including transportation fuel.

(b) “Biomass” has the meaning given in s. 196.374 (1) (am).

(c) “Cap and trade program” has the meaning given in s. 299.04 (1) (a).

**(2)** (a) The department of agriculture, trade and consumer protection shall, in consultation with the department of natural resources, do all of the following:

1. Study whether current and projected markets for bioenergy feedstocks and state and federal programs in effect on the effective date of this subdivision .... [LRB inserts date], provide adequate financial incentives to prompt producers of bioenergy feedstocks to sustainably produce a supply of biomass that, as a result of the use of that biomass as bioenergy feedstocks, will significantly contribute to the achievement of the state greenhouse gas emission reduction goals established under s. 299.03 (2).

1           2. Study whether current and projected markets and state and federal  
2 programs in effect on the effective date of this subdivision .... [LRB inserts date],  
3 provide adequate financial incentives to prompt entities to engage in sustainable  
4 forestry, carbon sequestration, and biomass and agricultural production practices in  
5 this state that will significantly contribute to the achievement of the state  
6 greenhouse gas emission reduction goals established under s. 299.03 (2).

7           3. Prepare reports on the studies required under subds. 1. and 2.

8           (b) The department of agriculture, trade and consumer protection and the  
9 department of natural resources shall prepare the studies required under this  
10 subsection in consultation with the office of energy independence in the department  
11 of administration, the public service commission, the University of Wisconsin  
12 System, the administrator of the statewide energy efficiency and renewable resource  
13 programs under s. 196.374 (2) (a) 1., representatives of natural resources and  
14 environmental organizations, and representatives of sectors of the economy in this  
15 state that are affected by the programs.

16           **(3)** (a) If, after conducting the study under sub. (2) (a) 1., the department of  
17 agriculture, trade and consumer protection and the department of natural resources  
18 determine that the financial incentives under state and federal law are inadequate  
19 to prompt producers of bioenergy feedstocks to sustainably produce a supply of  
20 biomass that will significantly contribute to the achievement of the state greenhouse  
21 gas emission reduction goals established under s. 299.03 (2), and that additional  
22 financial incentives are warranted, the department of agriculture, trade and  
23 consumer protection and the department of natural resources shall recommend  
24 changes to improve the effectiveness of financial incentives under existing state  
25 programs and propose new legislation offering additional financial incentives to

1 prompt bioenergy feedstock producers to sustainably produce additional biomass in  
2 order to help achieve the state greenhouse gas emission reduction goals. The  
3 department of agriculture, trade and consumer protection and the department of  
4 natural resources shall consider all of the following when making the  
5 recommendations required under this paragraph:

6 1. Methods to reduce financial risks of bioenergy feedstock producers, such as  
7 loan guarantees and insurance.

8 2. Expansion of a cap and trade program or a voluntary greenhouse gas  
9 emission reduction offset program to create credits for producers of bioenergy  
10 feedstocks who reduce greenhouse gas emissions during the production of bioenergy  
11 feedstocks by adopting appropriate management practices.

12 3. Expansion of the renewable resource credits created under s. 196.378 (3) (a)  
13 1. to authorize the creation of credits from the production or generation of nonelectric  
14 energy, as defined in s. 196.378 (1r) (dm), that is produced or generated from biomass.

15 (b) If, after conducting the study under sub. (2) (a) 2., the department of  
16 agriculture, trade and consumer protection and the department of natural resources  
17 determine that financial incentives under state and federal law are inadequate to  
18 prompt entities to engage in sustainable forestry, carbon sequestration, and biomass  
19 and agricultural production practices in this state that will significantly contribute  
20 to the achievement of the state greenhouse gas emission reduction goals established  
21 under s. 299.03 (2), and that additional financial incentives are warranted, the  
22 department of agriculture, trade and consumer protection and the department of  
23 natural resources shall recommend changes to improve the effectiveness of financial  
24 incentives under existing state programs and propose new legislation offering  
25 additional financial incentives to prompt entities to engage in sustainable forestry,

1 carbon sequestration, and biomass and agricultural production practices in order to  
2 help achieve the state greenhouse gas emission reduction goals. The department of  
3 agriculture, trade and consumer protection and the department of natural resources  
4 shall consider all of the following when making the recommendations required under  
5 this paragraph:

6 1. Methods to reduce financial risks of entities engaged in sustainable forestry,  
7 carbon sequestration, and biomass and agricultural production practices, such as  
8 loan guarantees and insurance.

9 2. Expansion of a cap and trade program or a voluntary greenhouse gas  
10 emission reduction offset program to create credits for entities who engage in  
11 sustainable forestry, carbon sequestration, and biomass and agricultural production  
12 practices who reduce greenhouse gas emissions as a result of such practices.

13 3. Expansion of the renewable resource credits created under s. 196.378 (3) (a)  
14 1. to authorize the creation of credits from the amount of greenhouse gas reductions  
15 occurring from sustainable forestry, carbon sequestration, and biomass and  
16 agricultural production practices.

17 (c) No later than July 1, 2013, the department of agriculture, trade and  
18 consumer protection and the department of natural resources shall submit a report  
19 on the studies required under sub. (2) together with any recommended changes to  
20 current law or recommended new legislation proposed under par. (a) or (b) to the  
21 climate change coordinating council.

22 **SECTION 45.** 101.02 (22m) of the statutes is created to read:

23 101.02 (**22m**) The department shall inform owners of construction sites of their  
24 responsibilities under s. 346.947 (7). The department may fulfill this duty by any

1 reasonable means, including notice on any applicable form prepared by the  
2 department.

3 **SECTION 46.** 101.02 (23) of the statutes is created to read:

4 101.02 **(23)** No later than July 1, 2013, and at least every 4 years thereafter,  
5 the department shall prepare and provide to the department of natural resources an  
6 assessment of progress toward meeting the new building energy use goal in s. 299.03  
7 (3).

8 **SECTION 47.** 101.027 (1) of the statutes is renumbered 101.027 (1m) and  
9 amended to read:

10 101.027 **(1m)** ~~In this section, “energy conservation code” means the~~ The  
11 department shall, by rule, promulgate an energy conservation code ~~promulgated by~~  
12 ~~the department that sets~~ minimum design requirements standards for construction  
13 and equipment for the purpose of energy conservation in public buildings and places  
14 of employment. Except as provided in sub. (1r), the rules shall conform to the energy  
15 design standards contained in a generally accepted code.

16 **SECTION 48.** 101.027 (1g) of the statutes is created to read:

17 101.027 **(1g)** In this section, “generally accepted code” means the International  
18 Energy Conservation Code or an energy efficiency code that provides at least as great  
19 an energy conservation benefit as the energy design standards contained in the  
20 International Energy Conservation Code and that is generally accepted and used by  
21 architects, engineers, and the construction industry in the construction of public  
22 buildings and places of employment.

23 **SECTION 49.** 101.027 (1r) of the statutes is created to read:

24 101.027 **(1r)** (a) The department may set particular design standards that are  
25 less strict than those contained in the generally accepted code used by the



1 department to promulgate the energy conservation code under sub. (1m) if all of the  
2 following apply:

3 1. Application of the generally accepted code is unreasonably burdensome  
4 because of specific conditions existing in this state.

5 2. The less strict standards provide the greatest energy conservation benefits  
6 that are consistent with the specific conditions.

7 (b) The department may set particular design standards that are stricter than  
8 those contained in the generally accepted code used by the department to promulgate  
9 the energy conservation code under sub. (1m) if the department takes into account  
10 the cost of complying with the stricter standards in relationship to the benefits  
11 derived from complying with the stricter standards, including the reasonably  
12 foreseeable economic and environmental benefits to this state from any reduction in  
13 the use of fossil fuel and in emissions of greenhouse gasses.

14 **SECTION 50.** 101.027 (2) of the statutes is amended to read:

15 101.027 (2) The department shall review the energy conservation code  
16 promulgated under sub. (1m), and shall, subject to the requirements of sub. (1r),  
17 promulgate rules that change the requirements of the energy conservation code to  
18 improve energy conservation. ~~No rule may be promulgated that has not taken into~~  
19 ~~account the cost of the energy conservation code requirement, as changed by the rule,~~  
20 ~~in relationship to the benefits derived from that requirement, including the~~  
21 ~~reasonably foreseeable economic and environmental benefits to the state from any~~  
22 ~~reduction in the use of imported fossil fuel. The proposed rules changing the energy~~  
23 ~~conservation code shall be submitted to the legislature in the manner provided under~~  
24 ~~s. 227.19. In conducting a review under this subsection, the department shall~~  
25 ~~consider incorporating, into the energy conservation code, design requirements from~~

1 ~~the most current national energy efficiency design standards, including the~~  
2 ~~International Energy Conservation Code or an energy efficiency code other than the~~  
3 ~~International Energy Conservation Code if that energy efficiency code is used to~~  
4 ~~prescribe design requirements for the purpose of conserving energy in buildings and~~  
5 ~~is generally accepted and used by engineers and the construction industry.~~

6 **SECTION 51.** 101.027 (3) (a) 1. of the statutes is amended to read:

7 101.027 **(3)** (a) 1. A revision of the International Energy Conservation Code  
8 generally accepted code used by the department to promulgate the energy efficiency  
9 code under sub. (1m) is published.

10 **SECTION 52.** 101.027 (3) (b) 1. of the statutes is amended to read:

11 101.027 **(3)** (b) 1. If the department begins a review under sub. (2) because a  
12 revision of the International Energy Conservation Code generally accepted code  
13 used by the department to promulgate the energy efficiency code under sub. (1m) is  
14 published, the department shall complete its review of the energy conservation code,  
15 ~~as defined in sub. (1),~~ and submit to the legislature proposed rules changing the  
16 energy conservation code, ~~as defined in sub. (1),~~ no later than 18 months after the  
17 date on which the revision of the International Energy Conservation Code generally  
18 accepted code is published.

19 **SECTION 53.** 101.027 (4) of the statutes is created to read:

20 101.027 **(4)** The department shall promulgate rules that set voluntary design  
21 standards for the purpose of reducing the environmental impact of constructing,  
22 maintaining, and using public buildings and places of employment. The department  
23 shall base the design standards on standards jointly established by the American  
24 National Standards Institute, the American Society of Heating, Refrigerating and  
25 Air Conditioning Engineers, the U.S. Green Building Council, and the Illuminating

1 Engineering Society of North America or on similar standards that are generally  
2 accepted and used by architects, engineers, and the construction industry in the  
3 construction of public buildings and places of employment if the similar standards  
4 provide benefits in reducing the environmental impact of constructing, maintaining,  
5 and using public buildings and places of employment that are at least as great as the  
6 benefits provided in the jointly established standards. The department shall  
7 promulgate rules under this subsection that set design standards that provide  
8 significantly greater energy conservation benefits than those provided by the design  
9 standards contained in the energy conservation code under sub. (1m).  
10 Notwithstanding s. 101.02 (7) (a), no county, city, village, or town may enact any  
11 ordinance or adopt any regulation that requires compliance with the voluntary  
12 design standards set by the department under rules promulgated under this  
13 subsection.

14 **SECTION 54.** 101.028 of the statutes is created to read:

15 **101.028 Agricultural building code.** The department shall, by rule,  
16 promulgate an energy conservation code that sets minimum design standards for  
17 agricultural facilities. The department shall define, for purposes of that code,  
18 “agricultural facility,” which shall include a barn and a milking parlor. The  
19 department shall consult with the department of agriculture, trade and consumer  
20 protection before promulgating rules under this section.

21 **SECTION 55.** 101.62 of the statutes is amended to read:

22 **101.62 Dwelling code council; power.** The dwelling code council shall  
23 review the standards and rules for one- and 2-family dwelling construction and  
24 recommend a uniform dwelling code for adoption by the department which shall  
25 include rules providing for the conservation of energy in the construction and

1 maintenance of dwellings, consistent with the requirements of s. 101.63 (1m), and  
2 for costs of specific code provisions to home buyers to be related to the benefits  
3 derived from such provisions. The council shall study the need for and availability  
4 of one-family and 2-family dwellings that are accessible to persons with disabilities,  
5 as defined in s. 106.50 (1m) (g), and shall make recommendations to the department  
6 for any changes to the uniform dwelling code that may be needed to ensure an  
7 adequate supply of one-family and 2-family dwellings. Upon its own initiative or  
8 at the request of the department, the council shall consider and make  
9 recommendations to the department pertaining to rules and any other matters  
10 related to this subchapter. The council shall recommend variances for different  
11 climate and soil conditions throughout the state.

12 **SECTION 56.** 101.63 (1) (intro.) of the statutes is amended to read:

13 101.63 **(1)** (intro.) Adopt rules which establish standards for the construction  
14 and inspection of one- and 2-family dwellings and components thereof. Where  
15 feasible, the standards used shall be those nationally recognized and shall apply to  
16 the dwelling and to its electrical, heating, ventilating, air conditioning and other  
17 systems, including plumbing, as defined in s. 145.01 (10). ~~No set of rules may be~~  
18 ~~adopted which has not taken into account the conservation of energy in construction~~  
19 ~~and maintenance of dwellings and the costs of specific code provisions to home buyers~~  
20 ~~in relationship to the benefits derived from the provisions.~~ Rules promulgated under  
21 this subsection do not apply to a bed and breakfast establishment, as defined under  
22 s. 254.61 (1), except that the rules apply to all of the following:

23 **SECTION 57.** 101.63 (1m) of the statutes is created to read:

24 101.63 **(1m)** (a) In this subsection, “generally accepted code” means the  
25 International Energy Conservation Code or an energy efficiency code that provides

1 at least as great an energy conservation benefit as the energy design standards  
2 contained in the International Energy Conservation Code and that is generally  
3 accepted and used by architects, engineers, and the construction industry in the  
4 construction of one– and 2–family dwellings.

5 (b) The department shall, by rule, promulgate an energy conservation code that  
6 sets minimum design standards for construction and equipment for the purpose of  
7 energy conservation in one– and 2–family dwellings. In promulgating the rules the  
8 department shall ensure that the minimum design standards are appropriate to  
9 specific conditions existing in this state and shall consider incorporating into the  
10 rules, subject to the requirements under pars. (c) and (d), the energy design  
11 standards contained in a generally accepted code.

12 (c) Before the department may set particular design standards that are less  
13 strict than those contained in a generally accepted code, it shall consider all of the  
14 following:

15 1. Whether application of a generally accepted code is unreasonably  
16 burdensome because of specific conditions existing in this state.

17 2. Whether the less strict standards provide the greatest energy conservation  
18 benefits that are consistent with the specific conditions.

19 (d) The department may set particular design standards that are stricter than  
20 those contained in a generally accepted code if the department takes into account the  
21 cost of complying with the stricter standards in relationship to the benefits derived  
22 from complying with the stricter standards, including the reasonably foreseeable  
23 economic and environmental benefits to this state from any reduction in the use of  
24 fossil fuel and in emissions of greenhouse gasses.

(e) The department shall review the energy conservation code promulgated under par. (b), and shall, subject to the requirements of pars. (c) and (d), promulgate rules that change the requirements of the energy conservation code to improve energy conservation.

(f) The department shall begin a review under par. (e) whenever one of the following occurs:

1. A revision of the generally accepted code used by the department to promulgate the energy conservation code under par. (b) is published.

2. Three years have passed from the date on which the department last submitted to the legislature proposed rules changing the energy conservation code.

(g) The department shall complete a review under par. (e) as follows:

1. If the department begins a review under par. (e) because a revision of the generally accepted code used by the department to promulgate the energy conservation code under par. (b) is published, the department shall complete its review of the energy conservation code and submit to the legislature proposed rules changing the energy conservation code no later than 18 months after the date on which the revision of the generally accepted code is published.

2. If the department begins a review under par. (e) because 3 years have passed from the date on which the department last submitted to the legislature proposed rules changing the energy conservation code, the department shall complete its review of the energy conservation code and submit to the legislature proposed rules changing the energy conservation code no later than 9 months after the last day of the 3-year period.

**SECTION 58.** 101.80 (1j) of the statutes is amended to read:

1           101.80 **(1j)** “Electricity provider” means a public utility, an electric cooperative,  
2           or a wholesale merchant plant operator, or, beginning on the date specified in the  
3           notice published under s. 196.493 (3) (b), a nonutility nuclear power plant operator.

4           **SECTION 59.** 101.80 (2m) of the statutes is created to read:

5           101.80 **(2m)** “Nonutility nuclear power plant operator” means the operator of  
6           a nonutility nuclear power plant, as defined in s. 196.491 (1) (i). This subsection  
7           takes effect on the date specified in the notice published under s. 196.493 (3) (b).

8           **SECTION 60.** 196.025 (1) (ag) 1. of the statutes is renumbered 196.025 (1) (ag)  
9           1r.

10          **SECTION 61.** 196.025 (1) (ag) 1g. of the statutes is created to read:

11          196.025 **(1)** (ag) 1g. “Municipal utility” has the meaning given in s. 16.957 (1)  
12          (q).

13          **SECTION 62.** 196.025 (1) (b) 1. of the statutes is renumbered 196.025 (1) (b) 1.  
14          (intro.) and amended to read:

15          196.025 **(1)** (b) 1. (intro.) In a proceeding in which an investor–owned electric  
16          public utility is a party, the commission shall not order or otherwise impose energy  
17          conservation or efficiency requirements on the investor–owned electric public utility  
18          if the commission has fulfilled all of its duties under s. 196.374 and the  
19          investor–owned any of the following is satisfied:

20          a. The electric public utility has satisfied the requirements of s. 196.374 for the  
21          year prior to commencement of the proceeding, as specified in s. 196.374 (8) (d).

22          **SECTION 63.** 196.025 (1) (b) 1. b. of the statutes is created to read:

23          196.025 **(1)** (b) 1. b. If the electric public utility is a municipal utility, the  
24          commission determines under s. 196.374 (8) that the electric public utility has, on  
25          average over the 4 years preceding the commencement of the proceeding, met, in the

1 aggregate, the goals established under s. 196.374 (3) (bn) 1. f. for the electric public  
2 utility or the commission determines that the electric public utility has made a good  
3 faith effort to meet the goals during such 4-year period.

4 **SECTION 64.** 196.025 (1) (b) 2. of the statutes is amended to read:

5 196.025 (1) (b) 2. In a proceeding in which a wholesale supplier that has  
6 accepted an assignment from a municipal utility or retail electric cooperative under  
7 s. 196.374 (7) (bg) is a party, the commission shall not order or otherwise impose  
8 energy conservation or efficiency requirements on the wholesale supplier or any  
9 municipal utility or retail electric cooperative that made the assignment if the  
10 commission has fulfilled all of its duties under s. 196.374 and the wholesale  
11 supplier's members are in the aggregate substantially in compliance with s. 196.374  
12 (7) commission determines under s. 196.374 (8) that the wholesale supplier or all  
13 municipal utilities or retail electric cooperatives from which the wholesale supplier  
14 has accepted assignment have, on average over the 4 years preceding the  
15 commencement of the proceeding, met, in the aggregate, the goals established under  
16 s. 196.374 (3) (bn) 1. f. for the municipal utilities or retail electric cooperatives or the  
17 commission determines that the wholesale supplier, municipal utilities, or retail  
18 electric cooperatives have made a good faith effort to meet the goals during such  
19 4-year period.

20 **SECTION 65.** 196.025 (1) (c) 1. of the statutes is amended to read:

21 196.025 (1) (c) 1. In a proceeding in which an investor-owned electric public  
22 utility is a party, the commission shall not order or otherwise impose any renewable  
23 resource requirements on the investor-owned electric public utility if the  
24 commission has fulfilled all of its duties under s. 196.378 and the commission has  
25 informed the utility under s. 196.378 (2) (c) 2. that, with respect to the most recent



1 report submitted under s. 196.378 (2) (c) 1., the utility is in compliance with the  
2 requirements of s. 196.378 (2) (a) 2. This subdivision does not limit the authority of  
3 the commission to enforce a public utility's obligations under s. 196.374.

4 **SECTION 66.** 196.025 (1) (c) 2. of the statutes is amended to read:

5 196.025 **(1)** (c) 2. In a proceeding in which a wholesale supplier is a party, the  
6 commission shall not order or otherwise impose any renewable resource  
7 requirements on the wholesale supplier if the commission has fulfilled all of its  
8 duties under s. 196.378 and the wholesale supplier's members or customers are in  
9 the aggregate substantially in compliance with s. 196.378 (2).

10 **SECTION 67.** 196.025 (1) (c) 3. of the statutes is created to read:

11 196.025 **(1)** (c) 3. The commission shall give priority in the scheduling of its  
12 business to the consideration of applications for a certificate of authority under s.  
13 196.49, or a certificate of public convenience and necessity under s. 196.491 (3), for  
14 a proposed renewable facility, as defined in s. 196.378 (1r) (g).

15 **SECTION 68.** 196.025 (2m) (c) of the statutes is amended to read:

16 196.025 **(2m)** (c) Paragraph (b) does not waive any duty of the commission or  
17 the department to comply with s. 1.11 or to take any other action required by law  
18 regarding a project, except that, in the consideration of alternative locations, sites,  
19 or routes for a project, the commission and the department are required to consider  
20 only the location, site, or route for the project identified in an application for a  
21 certificate under s. 196.49 and no more than one alternative location, site, or route;  
22 and, for a project identified in an application for a certificate under s. 196.491 (3),  
23 other than an application for a renewable facility, as defined in s. 196.378 (1r) (g), the  
24 commission and the department are required to consider only the location, site, or

1 route for the project identified in the application and one alternative location, site,  
2 or route.

3 **SECTION 69.** 196.025 (7) of the statutes is created to read:

4 196.025 (7) ENERGY CONSERVATION ASSESSMENT. No later than July 1, 2013, and  
5 at least every 4 years thereafter, the commission shall prepare and provide to the  
6 department of natural resources an assessment of progress toward meeting the  
7 statewide energy conservation goals in s. 299.03 (3m).

8 **SECTION 70.** 196.25 (1) of the statutes is renumbered 196.25 (1r).

9 **SECTION 71.** 196.25 (1g) of the statutes is created to read:

10 196.25 (1g) In this section, “public utility” includes the owner or operator of a  
11 nuclear power plant, as defined in s. 196.491 (1) (j), for which the commission has  
12 issued a certificate of public convenience and necessity under s. 196.491 (3) on or  
13 after the date specified in the notice published under s. 196.493 (3) (b).

14 **SECTION 72.** 196.374 (1) (am) of the statutes is created to read:

15 196.374 (1) (am) “Biomass” means plant material, including wood, or residue;  
16 biological waste; biogas; or landfill gases. “Biomass” does not include garbage, as  
17 defined in s. 289.01 (9), or nonbiological industrial, nonbiological commercial, or  
18 nonbiological household waste.

19 **SECTION 73.** 196.374 (1) (b) of the statutes is amended to read:

20 196.374 (1) (b) “Commitment to community program” means an energy  
21 efficiency or load management program ~~by or on behalf~~ for regulated fuel usage in  
22 the service territory of a municipal utility or retail electric cooperative ~~or a renewable~~  
23 resource program involving customer applications of renewable resources that take  
24 place at the premises of the customers or members of a municipal utility or retail  
25 electric cooperative.

1           **SECTION 74.** 196.374 (1) (c) of the statutes is amended to read:

2           196.374 (1) (c) “Customer application of renewable resources” means the  
3           generation of energy from renewable resources that takes place on the premises of  
4           a customer or member of an energy utility ~~or, municipal utility, or a member of a retail~~  
5           electric cooperative.

6           **SECTION 75.** 196.374 (1) (d) of the statutes is amended to read:

7           196.374 (1) (d) “Energy efficiency program” means a program for reducing the  
8           usage or increasing the efficiency of the usage of energy ~~by a customer or member of~~  
9           ~~an energy utility, municipal utility, or retail electric cooperative~~ a target fuel.  
10          “Energy efficiency program” does not include load management.

11          **SECTION 76.** 196.374 (1) (dm) of the statutes is created to read:

12          196.374 (1) (dm) “Energy provider” means an energy utility, municipal utility,  
13          or retail electric cooperative.

14          **SECTION 77.** 196.374 (1) (er) of the statutes is created to read:

15          196.374 (1) (er) “Large energy customer program” means a program under sub.  
16          (2) (c).

17          **SECTION 78.** 196.374 (1) (f) of the statutes is amended to read:

18          196.374 (1) (f) “Load management program” means a program to allow an  
19          energy utility, ~~municipal utility, provider or~~ wholesale electric cooperative, as  
20          defined in s. 16.957 (1) (v), ~~retail electric cooperative, or municipal electric company,~~  
21          ~~as defined in s. 66.0825 (3) (d),~~ supplier to control or manage daily or seasonal  
22          customer demand associated with equipment or devices used by customers or  
23          members.

24          **SECTION 79.** 196.374 (1) (hm) of the statutes is created to read:

1           196.374 (1) (hm) “Natural gas” does not include natural gas that is used to  
2           generate electricity.

3           **SECTION 80.** 196.374 (1) (i) of the statutes is repealed.

4           **SECTION 81.** 196.374 (1) (ig) of the statutes is created to read:

5           196.374 (1) (ig) “Prime supplier” means a person that imports an unregulated  
6           fuel into this state for sale to a wholesale or retail distributor, or to an end user, for  
7           use in this state.

8           **SECTION 82.** 196.374 (1) (ir) of the statutes is created to read:

9           196.374 (1) (ir) “Regulated fuel” means electricity or natural gas.

10          **SECTION 83.** 196.374 (1) (j) (intro.) of the statutes is amended to read:

11          196.374 (1) (j) (intro.) “Renewable resource” means a resource that derives  
12          energy from any source other than coal, petroleum products, nuclear power ~~or, except~~  
13          ~~as used in a fuel cell, natural gas, or nonbiological industrial, nonbiological~~  
14          commercial, or nonbiological household waste. “Renewable resource” includes  
15          resources deriving energy from any of the following:

16          **SECTION 84.** 196.374 (1) (j) 8. of the statutes is created to read:

17          196.374 (1) (j) 8. Any other resource designated by the commission by rule.

18          **SECTION 85.** 196.374 (1) (L) of the statutes is amended to read:

19          196.374 (1) (L) “Retail electric cooperative” ~~has the meaning given in s. 16.957~~  
20          ~~(1) (t)~~ means a cooperative association that is organized under ch. 185 for the purpose  
21          of providing electricity at retail to its members only and that owns or operates a retail  
22          electric distribution system.

23          **SECTION 86.** 196.374 (1) (mb) of the statutes is created to read:

24          196.374 (1) (mb) “Statewide programs” means the statewide energy efficiency  
25          and renewable resource programs established under sub. (2) (a) 1.

**SECTION 87.** 196.374 (1) (me) of the statutes is created to read:

196.374 (1) (me) “Statewide programs contractor” means a person with whom energy utilities contract under sub. (2) (a) 1. to administer the statewide programs.

**SECTION 88.** 196.374 (1) (mh) of the statutes is created to read:

196.374 (1) (mh) “Supplemental utility program” means a program under sub. (2) (b) 2.

**SECTION 89.** 196.374 (1) (mL) of the statutes is created to read:

196.374 (1) (mL) “Target fuel” means a regulated or unregulated fuel.

**SECTION 90.** 196.374 (1) (mo) of the statutes is created to read:

196.374 (1) (mo) “Total sales” means, with respect to a target fuel, the total amount of the target fuel sold at retail in this state as measured in energy units.

**SECTION 91.** 196.374 (1) (mr) of the statutes is created to read:

196.374 (1) (mr) “Unregulated fuel” means liquified petroleum gas or heating oil.

**SECTION 92.** 196.374 (1) (mu) of the statutes is created to read:

196.374 (1) (mu) “Utility-administered program” means a program under sub. (2) (b) 1.

**SECTION 93.** 196.374 (1) (o) of the statutes is repealed.

**SECTION 94.** 196.374 (2) (a) 1. of the statutes is amended to read:

196.374 (2) (a) 1. The energy utilities in this state ~~shall collectively establish and fund statewide energy efficiency and renewable resource programs. The energy utilities shall collectively~~ contract, on the basis of competitive bids, with one or more persons to develop and administer the statewide energy efficiency and renewable resource programs. ~~The utilities may not execute a~~ A contract under this subdivision may not be executed unless the commission has approved the contract. The

1 ~~commission shall require each energy utility to spend the amount required under~~  
2 ~~sub. (3) (b) 2. moneys received by a statewide programs contractor under sub. (3) (bw)~~  
3 ~~3., 3g., and 4. shall be used to fund the statewide energy efficiency and renewable~~  
4 ~~resource programs.~~

5 **SECTION 95.** 196.374 (2) (a) 2. (intro.) of the statutes is amended to read:

6 196.374 **(2)** (a) 2. (intro.) The purpose of the statewide programs under this  
7 paragraph shall be to help achieve environmentally sound and adequate energy  
8 target fuel supplies at reasonable cost, consistent with the commission's  
9 responsibilities under s. 196.025 (1) (ar) and the energy utilities' obligations under  
10 this chapter. The statewide programs shall include, at a minimum, all of the  
11 following:

12 **SECTION 96.** 196.374 (2) (a) 2. a. of the statutes is amended to read:

13 196.374 **(2)** (a) 2. a. Components to address the energy target fuel needs of  
14 residential, commercial, agricultural, institutional, and industrial energy target fuel  
15 users and, local units of government, and tribal governments.

16 **SECTION 97.** 196.374 (2) (a) 2. b. of the statutes is amended to read:

17 196.374 **(2)** (a) 2. b. Components to reduce the energy target fuel costs incurred  
18 by local units of government, tribal governments, and agricultural producers, by  
19 increasing the efficiency of energy target fuel use by local units of government, tribal  
20 governments, and agricultural producers. The commission shall ensure that not less  
21 than 10 percent of the moneys utilities are required to spend under subd. 1. or sub.  
22 ~~(3) (b) 2. paid by energy utilities and prime suppliers under sub. (3) (bw) 3., 3g., and~~  
23 ~~4.~~ is spent annually on programs under this subdivision subd. 2. b. except that, if the  
24 commission determines that the full amount cannot be spent on cost-effective  
25 programs for local units of government, tribal governments, and agricultural

1 producers, the commission shall ensure that any surplus funds be spent on programs  
2 to serve commercial, institutional, and industrial ~~customers~~ target fuel users. A local  
3 unit of government that receives assistance under this subd. 2. b. shall apply all costs  
4 savings realized from the assistance to reducing the property tax levy.

5 **SECTION 98.** 196.374 (2) (a) 2. d. of the statutes is amended to read:

6 196.374 **(2)** (a) 2. d. Initiatives for research and development regarding the  
7 environmental and economic impacts of energy target fuel use in this state.

8 **SECTION 99.** 196.374 (2) (a) 2. e. and f. of the statutes are created to read:

9 196.374 **(2)** (a) 2. e. Grants and loans for distributed electric generating  
10 facilities that generate electricity from renewable resources and that are designed  
11 for nominal operation at a capacity of 10 megawatts or less, including agricultural  
12 waste digesters and wind power and solar energy facilities, with a preference for  
13 grants and loans for agricultural waste digesters. Grants and loans under this subd.  
14 2. e. may not be made in a year to a customer or member of a municipal utility or retail  
15 electric cooperative, unless the municipal utility or retail electric cooperative has  
16 contributed 0.2 percent of its annual operating revenues for that year to a statewide  
17 programs contractor for grants and loans under this subd. 2. e. The commission shall  
18 ensure that the amount available for grants and loans under this subd. 2. e. for a year  
19 is at least equal to the sum of the amounts paid by energy utilities in that year under  
20 sub. (3) (bw) 3r. and the amount budgeted for similar grants and loans in 2009 under  
21 the statewide renewable resource programs under s. 196.374 (2) (a) 1., 2007 stats.  
22 This subd. 2. e. does not apply after the first day of the 48th month beginning after  
23 the effective date of this subd. 2. e. .... [LRB inserts date].



1 f. Components for coordinating, to the extent practicable, with apprenticeship  
2 training programs to develop a highly skilled workforce for energy efficiency and  
3 renewable resource programs.

4 **SECTION 100.** 196.374 (2) (a) 3. of the statutes is amended to read:

5 196.374 (2) (a) 3. The commission may not require an energy utility to  
6 administer or fund any energy efficiency or renewable resource program that is in  
7 addition to the statewide programs ~~required under subd. 1. and any ordered program~~  
8 ~~of the utility.~~ This subdivision does not limit the authority of the commission to  
9 enforce an energy utility's obligations under s. 196.378.

10 **SECTION 101.** 196.374 (2) (b) (title) of the statutes is amended to read:

11 196.374 (2) (b) (title) *Utility-administered and supplemental utility programs.*

12 **SECTION 102.** 196.374 (2) (b) 1. of the statutes is amended to read:

13 196.374 (2) (b) 1. An energy utility may, with commission approval, administer  
14 or fund one or more energy efficiency programs for regulated fuels that is limited to,  
15 as determined by the commission, large commercial, industrial, institutional, or  
16 agricultural customers in its service territory. An energy utility shall pay for a  
17 program under this subdivision ~~with~~ by withholding a portion of the amount it is  
18 required to pay to a statewide programs contractor under sub. (3) ~~(b) 2. (bw) 3. or 3g.,~~  
19 as approved by the commission. The commission may not order an energy utility to  
20 administer or fund a program under this subdivision.

21 **SECTION 103.** 196.374 (2) (b) 2. of the statutes is amended to read:

22 196.374 (2) (b) 2. An energy utility may, with commission approval, administer  
23 or fund an energy efficiency or renewable resource program for regulated fuels that  
24 is limited to customers in its service territory and that is in addition to the statewide  
25 ~~programs required under par. (a) or~~ utility-administered programs authorized



1     ~~under subd. 1.~~ The commission may not order an energy utility to administer or fund  
2     a program under this subdivision.

3             **SECTION 104.** 196.374 (2) (b) 3. of the statutes is amended to read:

4             196.374 **(2)** (b) 3. An energy utility that ~~administers or funds a program under~~  
5     ~~subd. 1. or 2. or an ordered program~~ may request at any time to establish, modify, or  
6     discontinue a utility-administered or supplemental utility program, and the  
7     commission may approve, ~~to modify, or discontinue~~, in whole or in part, the ordered  
8     program. ~~An energy utility may request the establishment, modification, or~~  
9     ~~discontinuation of a program under subd. 1. or 2. at any time and shall request the~~  
10    ~~modification or discontinuation of an ordered program as part of a proceeding under~~  
11    ~~sub. (3) (b) 1.~~

12            **SECTION 105.** 196.374 (2) (c) of the statutes is amended to read:

13            196.374 **(2)** (c) *Large energy customer programs.* A customer of an energy  
14    utility may, with commission approval, administer and fund its own energy efficiency  
15    programs or renewable resource programs if the customer satisfies the definition of  
16    a large energy customer for any month in the 12 months preceding the date of the  
17    customer's request for approval. A customer may request commission approval at  
18    any time. A customer that funds a program under this paragraph may deduct the  
19    amount of the funding from the amount the energy utility may collect from the  
20    customer under sub. (5) (b). If the customer deducts the amount of the funding from  
21    the amount the energy utility may collect from the customer under sub. (5) (b), the  
22    energy utility shall credit the amount of the funding against the amount the energy  
23    utility is required to ~~spend~~ pay to a statewide programs contractor under sub. (3) (b)  
24    ~~2. (bw) 3. or 3g.~~

1           **SECTION 106.** 196.374 (3) (a) and (b) 1. of the statutes are consolidated,  
2           renumbered 196.374 (3) (a) and amended to read:

3           196.374 **(3)** (a) *In general.* The commission shall have oversight of statewide,  
4           utility-administered, supplemental utility, and large energy customer programs  
5           ~~under sub. (2).~~ The commission shall maximize coordination of program delivery,  
6           including coordination between such programs under subs. (2) (a) 1., (b) 1. and 2., and  
7           ~~(c) and (7), ordered programs, low-income weatherization programs under s. ss.~~  
8           16.26, 16.27, and 16.957, renewable resource programs under s. 196.378, and other  
9           energy efficiency or renewable resource programs. The commission shall cooperate  
10          with the department of natural resources to ensure coordination of energy efficiency  
11          and renewable resource programs with air quality programs and to maximize and  
12          document the air quality improvement benefits that can be realized from energy  
13          efficiency and renewable resource programs. ~~(b) 1. At least every 4 years, after notice~~  
14          ~~and opportunity to be heard, the commission shall, by order, evaluate the energy~~  
15          ~~efficiency and renewable resource programs under sub. (2) (a) 1., (b) 1. and 2., and~~  
16          ~~(c) and ordered programs and set or revise goals, priorities, and measurable targets~~  
17          ~~for the programs. The~~ In carrying out its duties under this paragraph, the  
18          commission shall give priority to cost-effective programs that moderate the growth  
19          in ~~electric and natural gas~~ target fuel demand and usage, facilitate markets and  
20          assist market providers to achieve higher levels of energy efficiency, promote energy  
21          reliability and adequacy, avoid adverse environmental impacts from the use of  
22          energy, and promote rural economic development.

23          **SECTION 107.** 196.374 (3) (b) (title), 2. (intro.) and a. and 4. of the statutes are  
24          repealed.

1           **SECTION 108.** 196.374 (3) (b) 2. b. of the statutes is renumbered 196.374 (3) (bg)  
2       1m. a. and amended to read:

3           196.374 **(3)** (bg) 1m. a. The potential short-term and long-term impacts on  
4       electric and natural gas rates and on costs of unregulated fuels and alternative  
5       means to mitigate such impacts.

6           **SECTION 109.** 196.374 (3) (b) 2. c., d., e., f., g. and h. of the statutes are  
7       renumbered 196.374 (3) (bg) 1m. b., c., d., e., f. and g.

8           **SECTION 110.** 196.374 (3) (b) 3. of the statutes is renumbered 196.374 (3) (bw)  
9       3g. and amended to read:

10          196.374 **(3)** (bw) 3g. The commission shall submit to the joint committee on  
11       finance any proposal to require each an energy utility to ~~spend a larger~~ collect from  
12       its customers and pay to a statewide programs contractor in a year under subd. 3.  
13       a percentage of its annual operating revenues ~~than the percentage specified in subd.~~  
14       ~~2. (intro.) to fund the programs specified in subd. 2. (intro.)~~ that is greater than 1.2  
15       percent. If the cochairpersons of the committee do not notify the commission within  
16       10 working days after the commission submits such a proposal that the committee  
17       has scheduled a meeting to review the proposal, the commission may require each  
18       the energy utility to ~~spend the percentage specified in~~ comply with the proposal. If,  
19       within 10 working days after the commission submits a proposal, the cochairpersons  
20       of the committee notify the commission that the committee has scheduled a meeting  
21       to review the proposal, but, within 90 days of providing the notice, the committee  
22       does not object to the proposal, the commission may require each the energy utility  
23       to ~~spend the percentage specified in~~ comply with the proposal. If, within 90 days  
24       after providing the notice, the committee objects to the proposal, the commission may  
25       not require each the energy utility to ~~spend the percentage specified in the proposal~~

1 collect from its customers and pay to a statewide programs contractor 1.2 percent of  
2 its annual operating revenues. The commission may submit a proposal, or submit  
3 revisions to a proposal that the commission has previously submitted, at any time.

4 **SECTION 111.** 196.374 (3) (bc), (bg) (title), 1., 1m. (intro) and 2., (bn), (br) and  
5 (bw) (title), 1., 2., 3., 3r. and 4. of the statutes are created to read:

6 196.374 **(3)** (bc) *Quadrennial proceedings; generally.* Every 4 years the  
7 commission shall, after notice and opportunity to be heard, conduct a proceeding for  
8 making assessments under par. (bg) and shall hold contested case hearings for  
9 establishing goals under par. (bn), establishing funding requirements under par.  
10 (br), and allocating the funding requirements under par. (bw). The commission shall  
11 carry out its duties under this paragraph in a manner that implements state policy  
12 under s. 1.12 (4), establishes all achievable and cost-effective energy savings, and  
13 is designed to enable the state to meet or exceed the goals specified in s. 299.03 (2)  
14 and (3m) (a) and (b).

15 (bg) (title) *Quadrennial potential studies.* 1. The commission shall assess the  
16 reduction in the use of and demand for each target fuel that can be achieved in each  
17 year of the quadrennium following the proceeding under par. (bc) through all of the  
18 following:

19 a. Cost-effective energy efficiency and renewable resource programs  
20 administered by energy providers or other persons.

21 b. Programs and policy mechanisms under the commission's jurisdiction,  
22 excluding the programs described in subd. 1. a., and including demand response and  
23 load management programs and the renewable portfolio standard, as defined in s.  
24 196.378 (1r) (gm).

25 c. Low-income weatherization programs under ss. 16.26, 16.27, and 16.957.

1           d. Other programs and policy mechanisms, including appliance and equipment  
2 efficiency standards, mandatory and voluntary energy conservation standards for  
3 buildings, and voluntary certification programs.

4           1m. (intro.) In making assessments under subd. 1., the commission shall  
5 consider all of the following:

6           2. Reductions in use of and demand for a target fuel in assessments under subd.  
7 1. shall be expressed as percentages of total sales for the target fuel.

8           (bn) *Quadrennial goals.* For each year of the quadrennium following the  
9 proceeding under par. (bc), the commission shall establish a goal for the reduction  
10 in demand for and use of each target fuel that can be achieved under the statewide  
11 programs, and a goal for the reduction in demand for and use of each regulated fuel  
12 that can be achieved by or on behalf of each municipal utility and retail electric  
13 cooperative, as follows:

14           1. For each regulated fuel:

15           a. Estimate the total sales of the regulated fuel that will occur in the year.

16           b. Estimate the proportion of the amount estimated under subd. 1. a. that will  
17 be attributable to sales by all energy utilities in the year and multiply the proportion  
18 estimated under this subd. 1. b. by the amount estimated under subd. 1. a.

19           c. Estimate the proportion of the amount estimated under subd. 1. a. that will  
20 be attributable to sales by each municipal utility or retail electric cooperative in the  
21 year and multiply the proportion estimated under this subd. 1. c. by the amount  
22 estimated under subd. 1. a.

23           d. Determine the difference between the percentages determined under par.

24 (bg) 1. a. and c. for the regulated fuel for the year.

1           e. Multiply the product determined under subd. 1. b. by the difference  
2           determined under subd. 1. d. The resulting product shall be the goal under the  
3           statewide programs for the regulated fuel for the year, unless modified by the  
4           commission under sub. (8) (b) 2.

5           f. Multiply the product determined under subd. 1. c. for a municipal utility or  
6           retail electric cooperative by the difference determined under subd. 1. d. The  
7           resulting product shall be the goal for the regulated fuel for the year for the municipal  
8           utility or retail electric cooperative, unless modified by the commission under sub.  
9           (8) (b) 2.; and except that the commission may revise the goal if the commission  
10          determines that the goal is unreasonable considering the composition of the  
11          membership or customer base of the municipal utility or retail electric cooperative;  
12          and except that, if the joint committee on finance objects under par. (bw) 3g. to a  
13          proposal regarding one or more energy utilities, the commission shall revise goals for  
14          municipal utilities and retail electric cooperatives in a manner that is consistent  
15          with the energy utility payments to the statewide programs contractor that result  
16          from the objection, and the commission shall notify municipal utilities and retail  
17          electric cooperatives of the revised goals.

18          2. For each unregulated fuel:

19           a. Estimate the total sales of the unregulated fuel that will occur in the year.

20           b. Determine the difference between the percentages determined under par.  
21          (bg) 1. a. and c. for the unregulated fuel for the year.

22           c. Multiply the estimate under subd. 2. a. by the difference determined under  
23          subd. 2. b. The resulting product shall be the goal under the statewide programs for  
24          the unregulated fuel for the year, unless modified by the commission under sub. (8)  
25          (b) 2.

1           (br) *Quadrennial funding requirements.* 1. ‘Statewide programs.’ The  
2       commission shall determine the amount of funds necessary for statewide programs  
3       for each target fuel for each year of the quadrennium following the proceeding under  
4       par. (bc) as follows:

5           a. For each target fuel, determine the amount of funds necessary to achieve the  
6       goal determined under par. (bn) 1. e. or 2. c. for the year.

7           b. Subtract from the amount determined under subd. 1. a. the total amount that  
8       the commission allows all energy utilities to pay for utility-administered programs  
9       for the target fuel in the year.

10          c. Subtract from the amount determined under subd. 1. b. the total amount of  
11       funding the commission allows for all large energy customer programs for the target  
12       fuel in the year. The result determined under this subd. 1. c. shall be the amount of  
13       funding necessary for statewide programs for the target fuel in the year.

14          2. ‘Municipal utilities and retail electric cooperatives.’ Except as provided in  
15       sub. (7) (bg), each municipal utility and retail electric cooperative shall determine the  
16       amount of funds necessary to achieve the goal determined under par. (bn) 1. f. for  
17       each regulated fuel for each year of the quadrennium following the proceeding under  
18       par. (bc). The minimum amount that a municipal utility or retail electric cooperative  
19       may determine for a year under this subdivision shall correspond to a monthly fee  
20       imposed on each customer or member that collects an annual average of \$8 per meter.

21          (bw) (title) *Funding allocation.* 1. A prime supplier shall report to the  
22       commission, in the form specified by the commission, the amount of unregulated fuel  
23       that the prime supplier imports into this state each year for ultimate use by end users  
24       in this state.

1           2. In the proceeding under par. (bc), for each target fuel, the commission shall  
2 determine the percentage of total sales of the target fuel by all energy utilities and  
3 prime suppliers in the quadrennium prior to the proceeding that is attributable to  
4 each energy utility and prime supplier.

5           3. For each regulated fuel and for each year of the quadrennium following the  
6 proceeding under par. (bc), the commission shall determine the amount equal to the  
7 percentage determined for an energy utility under subd. 2. multiplied by the amount  
8 determined under par. (br) 1. c. for the regulated fuel for the year. Subject to subd.  
9 3g., for each year, the commission shall require the energy utility to collect from its  
10 customers and pay to a statewide programs contractor the amount so determined or  
11 1.2 percent of the energy utility's annual operating revenues for the year, whichever  
12 is greater.

13          3r. For the purpose of funding grants and loans under sub. (2) (a) 2. e., the  
14 commission shall require each energy utility each year to collect from its customers  
15 and pay to a statewide programs contractor 0.2 percent of the energy utility's annual  
16 operating revenues for the year. The amounts that an energy utility is required to  
17 pay under this subdivision are in addition to the amounts the energy utility is  
18 required to pay under subd. 3. or 3g. This subdivision does not apply after the first  
19 day of the 48th month beginning after the effective date of this subdivision .... [LRB  
20 inserts date].

21          4. For each unregulated fuel, the commission shall order each prime supplier  
22 to pay to a statewide programs contractor in each year of the quadrennium following  
23 the proceeding under par. (bc) an amount equal to the percentage determined for the  
24 prime supplier under subd. 2. multiplied by the amount determined under par. (br)  
25 1. c. for the unregulated fuel for the year.



1           **SECTION 112.** 196.374 (3) (c) (title) of the statutes is amended to read:

2           196.374 **(3)** (c) (title) *Reviews Other reviews and approvals.*

3           **SECTION 113.** 196.374 (3) (c) 1. of the statutes is amended to read:

4           196.374 **(3)** (c) 1. Review and approve contracts under sub. (2) (a) 1. ~~between~~  
5 ~~the energy utilities and program administrators~~ If the energy utilities contract with  
6 more than one person under sub. (2) (a) 1., the commission shall determine how to  
7 allocate among those persons the requirements under this section involving  
8 statewide programs contractors.

9           **SECTION 114.** 196.374 (3) (c) 2. (intro.), a. and b. of the statutes are consolidated,  
10 renumbered 196.374 (3) (c) 2. (intro.) and amended to read:

11           196.374 **(3)** (c) 2. (intro.) ~~Review requests under sub. (2) (b) for~~  
12 utility-administered, supplemental utility, and large energy customer programs.  
13 The commission may condition its approval of a request ~~under sub. (2) (b) as~~  
14 necessary to protect the public interest. The commission shall approve a request  
15 ~~under sub. (2) (b) 1. or 2. if the commission determines that a proposed energy~~  
16 ~~efficiency or renewable resource program is in the public interest and satisfies all of~~  
17 ~~the following: a. The program, has specific savings targets and performance~~  
18 measurable performance-based goals approved by the commission. ~~b. The program,~~  
19 is subject to independent evaluation by the commission, and, for a  
20 utility-administered or supplemental utility program, satisfies all of the following:

21           **SECTION 115.** 196.374 (3) (c) 2. bm., c., d. and e. of the statutes are created to  
22 read:

23           196.374 **(3)** (c) 2. bm. Implementation of the program will complement the  
24 statewide programs and enhance the ability of the statewide programs to meet or  
25 exceed their goals.

1 c. Implementation of the program will enhance the ability of the state to meet  
2 its greenhouse gas emission reduction goals under s. 299.03 (2).

3 d. Considering alternatives to the program, the costs of the program are  
4 reasonable.

5 e. The benefits of the program exceed the costs of the program.

6 **SECTION 116.** 196.374 (3) (d) of the statutes is amended to read:

7 196.374 **(3)** (d) *Audits.* Annually, the commission shall contract with one or  
8 more independent auditors to prepare a financial and performance audit of the  
9 statewide, utility-administered, supplemental utility, and large energy customer  
10 programs specified in par. (b) 1. The purpose of the performance audit shall be to  
11 evaluate the programs and measure the performance of the programs against the  
12 goals and targets set approved by the commission under par. (b) 1. ~~The person or~~  
13 ~~persons with whom the energy utilities contract for program administration under~~  
14 ~~sub. (2) (a) 1. shall pay the costs of the audits from the amounts paid under the~~  
15 ~~contracts under sub. (2) (a) 1 (c) 2. or established under par. (bn) 1. e. or 2. c.~~ The audit  
16 shall also determine the amount of reduction in the demand for and use of each target  
17 fuel that has resulted in the year under the programs.

18 **SECTION 117.** 196.374 (3) (dm) of the statutes is created to read:

19 196.374 **(3)** (dm) *Consultations.* If an audit under par. (d) indicates that a  
20 program has failed to achieve one or more goals for the year of the audit, the  
21 commission shall consult with the statewide programs contractor or person  
22 administering the program regarding ways to modify the program to ensure that, as  
23 determined under sub. (8) (a), it will achieve its goals.

24 **SECTION 118.** 196.374 (3) (e) of the statutes is renumbered 196.374 (3) (e) 1m.,  
25 and 196.374 (3) (e) 1m. a. and b., as renumbered, are amended to read:

1           196.374 (3) (e) 1m. a. The expenses of the commission, energy utilities, and  
2           ~~program administrators contracted under sub. (2) (a) 1. statewide programs~~  
3           ~~contractors~~ in administering or participating in the statewide programs under sub.  
4           ~~(2) (a) 1.~~

5           b. The effectiveness of the statewide, utility-administered, supplemental  
6           utility, large energy customer, and commitment to community programs specified in  
7           ~~par. (b) 1. and sub. (7)~~ in reducing demand for electricity target fuels, and increasing  
8           the use of renewable resources owned by customers or members.

9           **SECTION 119.** 196.374 (3) (e) 2m. of the statutes is created to read:

10           196.374 (3) (e) 2m. No later than January 1, 2014, the commission shall submit  
11           a report to the legislature in the manner described under s. 13.172 (3) on the  
12           status, development, and use of small-scale renewable technologies and the costs,  
13           benefits, and alternatives for providing additional incentives for the deployment of  
14           such technologies on a distributed generation basis. The report shall also  
15           recommend goals and mechanisms for encouraging the deployment of such  
16           technologies on such a basis, examine any obstacles to achieving the goals, and  
17           examine the relationship between the goals and the voluntary tariff offerings of  
18           energy utilities, the statewide energy programs, and any relevant federal programs.  
19           In preparing the report, the commission shall consult with the office of energy  
20           independence, the department of commerce, and the department of agriculture,  
21           trade and consumer protection.

22           **SECTION 120.** 196.374 (3) (f) 1. of the statutes is amended to read:

23           196.374 (3) (f) 1. Procedures for energy utilities to collectively contract with  
24           ~~program administrators for administration of statewide programs under sub. (2) (a)~~

1 ~~1. and to receive contributions from municipal utilities and retail electric~~  
2 ~~cooperatives under sub. (7) (b) 2. statewide programs contractors.~~

3 **SECTION 121.** 196.374 (3) (f) 2. of the statutes is amended to read:

4 196.374 **(3)** (f) 2. Procedures and criteria for commission review and approval  
5 of contracts ~~for administration of statewide programs under sub. (2) (a) 1., including~~  
6 ~~criteria for the selection of program administrators under sub. (2) (a) 1. statewide~~  
7 ~~programs contractors.~~

8 **SECTION 122.** 196.374 (3) (f) 3. of the statutes is amended to read:

9 196.374 **(3)** (f) 3. Procedures and criteria for commission review and approval  
10 of utility-administered, supplemental utility, and large energy customer programs  
11 ~~under sub. (2) (b) 1. and 2., customer programs under sub. (2) (c), and requests under~~  
12 ~~sub. (2) (b) 3.~~

13 **SECTION 123.** 196.374 (3) (f) 4. of the statutes is amended to read:

14 196.374 **(3)** (f) 4. Minimum requirements for ~~energy efficiency and renewable~~  
15 ~~resource~~ the statewide, utility-administered, supplemental utility, and large energy  
16 customer programs under sub. (2) (a) 1. and ~~customer energy efficiency programs~~  
17 ~~under sub. (2) (c).~~

18 **SECTION 124.** 196.374 (4) (a) (intro.) of the statutes is amended to read:

19 196.374 **(4)** (a) (intro.) In implementing the statewide programs under sub. (2)  
20 ~~(a) 1. or administering a commitment to community program under a contract under~~  
21 ~~sub. (7) (am) 2., including the awarding of grants or contracts, a person who contracts~~  
22 ~~with the utilities under sub. (2) (a) 1., a statewide programs contractor or a person~~  
23 ~~who subcontracts with such a person a statewide programs contractor.~~

24 **SECTION 125.** 196.374 (4) (a) 1. of the statutes is amended to read:

1           196.374 (4) (a) 1. May not discriminate against an energy utility provider or  
2           its affiliate or a wholesale supplier or its affiliate solely on the basis of its status as  
3           an energy utility provider or its affiliate or wholesale supplier or its affiliate.

4           **SECTION 126.** 196.374 (4) (a) 2. of the statutes is amended to read:

5           196.374 (4) (a) 2. Shall provide services to utility customers target fuel users  
6           on a nondiscriminatory basis and subject to a customer's user's choice.

7           **SECTION 127.** 196.374 (4) (b) of the statutes is amended to read:

8           196.374 (4) (b) An energy utility that provides financing under ~~an energy~~  
9           ~~efficiency program under sub. (2) (b) 1. or 2.~~ a utility-administered or supplemental  
10          utility program for installation, by a customer, of energy efficiency or renewable  
11          resource processes, equipment, or appliances, or an affiliate of such a utility, may not  
12          sell to or install for the customer those processes, equipment, appliances, or related  
13          materials. The customer shall acquire the installation of the processes, equipment,  
14          appliances, or related materials from an independent contractor of the customer's  
15          choice.

16          **SECTION 128.** 196.374 (5) (a) of the statutes is amended to read:

17          196.374 (5) (a) *Rate-making orders.* The commission shall ensure in  
18          rate-making orders that an energy utility recovers from its ratepayers the amounts  
19          the energy utility ~~spends for~~ pays for statewide programs and the costs the energy  
20          utility incurs for utility-administered and supplemental utility programs under sub.  
21          ~~(2) (a) 1.~~

22          **SECTION 129.** 196.374 (5) (b) 1. and (bm) 3. of the statutes are consolidated,  
23          renumbered 196.374 (5) (b) 1. and amended to read:

24          196.374 (5) (b) 1. Except as provided in sub. (2) (c) and ~~par. (bm) 2.~~ subds. 3.  
25          and 4., if the commission has determined that a customer of an energy utility is a

1 large energy customer under 2005 Wisconsin Act 141, section 102 (8) (b), then, each  
2 month, the energy utility shall collect from the customer, for recovery of amounts  
3 under par. (a), the amount determined by the commission under 2005 Wisconsin Act  
4 141, section 102 (8) (c). ~~(bm) 3. Until the proposal under subd. 1. takes effect, the~~  
5 The commission may not include the revenues received from a large energy customer  
6 in the calculation of operating revenues for purposes of sub. ~~(3) (b) 2.~~ this subdivision  
7 for an energy utility that in 2005 did not collect revenues from its customers under  
8 s. 196.374 (3), 2003 stats.

9 **SECTION 130.** 196.374 (5) (b) 2. of the statutes is amended to read:

10 196.374 (5) (b) 2. A customer of an energy utility that the commission has not  
11 determined is a large energy customer under 2005 Wisconsin Act 141, section 102 (8)  
12 (b), may petition the commission for a determination that the customer is a large  
13 energy customer. The commission shall determine that a petitioner is a large energy  
14 customer if the petitioner satisfies the definition of large energy customer for any  
15 month in the 12 months preceding the date of the petition. If the commission makes  
16 such a determination, the commission shall also determine the amount that the  
17 energy utility may collect from the customer each month for recovery of the amounts  
18 under par. (a). The commission shall determine an amount that ensures that the  
19 amount collected from the customer is similar to the amounts collected from other  
20 customers that have a similar level of energy costs as the customer. Except as  
21 provided in sub. (2) (c) and par. ~~(bm) 2.~~ subds. 3. and 4., each month, the energy utility  
22 shall collect from the customer, for recovery of amounts under par. (a), the amount  
23 determined by the commission under this subdivision.

24 **SECTION 131.** 196.374 (5) (b) 4. of the statutes is created to read:

1           196.374 (5) (b) 4. In addition to the amounts that an energy utility may collect  
2           from a large energy customer under subd. 1. or 2., the energy utility may collect from  
3           the customer the customer's share of any amount that the energy utility is required  
4           to pay a statewide programs contractor which exceeds 1.2 percent of the energy  
5           utility's annual operating revenues for a year and the customer's share is subject to  
6           par. (d).

7           **SECTION 132.** 196.374 (5) (bm) (title) of the statutes is repealed.

8           **SECTION 133.** 196.374 (5) (bm) 1. of the statutes, as affected by 2009 Wisconsin  
9           Act 180, is repealed.

10          **SECTION 134.** 196.374 (5) (bm) 2. of the statutes is renumbered 196.374 (5) (b)  
11          3. and 196.374 (5) (b) 3. (intro.), as renumbered, is amended to read:

12           196.374 (5) (b) 3. ~~If, by July 1, 2009, legislation based on the proposal under~~  
13          ~~subd. 1. has not been enacted, the~~ The commission shall, beginning on July 1, 2009,  
14          annually increase the amount that an energy utility may recover from a large energy  
15          customer each month under par. ~~(b)~~ subd. 1. or 2. only by a percentage that is the  
16          lesser of the following:

17          **SECTION 135.** 196.374 (5) (d) of the statutes is amended to read:

18           196.374 (5) (d) *Equitable contributions.* Subject to pars. ~~(b) and (bm) 2.~~ par. (b)  
19          1. to 3., the commission shall ensure that the cost of ~~energy efficiency and renewable~~  
20          resource the statewide and utility-administered programs is equitably divided  
21          among customer classes so that similarly situated ratepayers contribute equivalent  
22          amounts for the programs.

23          **SECTION 136.** 196.374 (5m) (a) of the statutes is amended to read:

24           196.374 (5m) (a) The commission shall ensure that, ~~on an annual basis,~~ each  
25          customer class of an energy utility has the opportunity to receive grants and benefits



1 under ~~energy efficiency~~ the statewide and utility-administered programs in an  
2 amount equal to the amount that is recovered from the customer class under sub. (5)  
3 ~~(a) equitable manner that meets the reasonable needs of the class for the grants and~~  
4 ~~benefits and that is consistent with par. (am).~~ The commission shall also ensure that  
5 ~~the amounts recovered from ratepayers under sub. (5) (a) are used for the benefit of~~  
6 ~~ratepayers and that end users of unregulated fuels receive grants and benefits under~~  
7 ~~the statewide programs in an amount equal to the amount paid by prime suppliers~~  
8 ~~to statewide program contractors under sub. (3) (bw) 4.~~ Biennially, the commission  
9 shall submit a report to the governor, and the chief clerk of each house of the  
10 legislature for distribution to the legislature under s. 13.172 (2), that summarizes the  
11 total amount recovered from each energy utility customer class and the total amount  
12 of grants made to, and benefits received by, each customer class.

13 **SECTION 137.** 196.374 (5m) (am) of the statutes is created to read:

14 196.374 **(5m)** (am) The commission shall ensure that the statewide and  
15 utility-administered programs are administered in a manner that targets  
16 agricultural, commercial, industrial, and institutional sectors in order to achieve the  
17 available, most cost-effective energy conservation and efficiency measures that have  
18 the greatest potential to enable the state to meet or exceed the goals specified in s.  
19 299.03 (2) and (3m) (a) and (b) at the lowest costs.

20 **SECTION 138.** 196.374 (5m) (b) of the statutes is amended to read:

21 196.374 **(5m)** (b) The commission shall ensure that ~~customers~~ target fuel users  
22 throughout the state have an equivalent opportunity to receive the benefits of the  
23 statewide and utility-administered programs under sub. (2) ~~(a) 1. and (b) 1.~~ The  
24 commission shall ensure that the statewide programs are designed to ensure that  
25 ~~retail customers~~ target fuel users in areas not served by utility-administered



1 programs ~~under sub. (2) (b) 1.~~ receive equivalent opportunities as those in areas  
2 served by utility-administered programs ~~under sub. (2) (b) 1.~~

3 **SECTION 139.** 196.374 (6) of the statutes is amended to read:

4 196.374 (6) ANNUAL STATEMENTS. Annually, the commission shall prepare a  
5 statement that describes the statewide, utility-administered, supplemental utility,  
6 and large energy customer programs ~~under sub. (2) (a) 1., (b) 1. and 2., and (c), and~~  
7 ~~ordered programs, administered or funded by the energy utility~~ and presents cost  
8 and benefit information for those programs. An energy utility shall provide each of  
9 its customers with a copy of the statement.

10 **SECTION 140.** 196.374 (7) (a) of the statutes is repealed.

11 **SECTION 141.** 196.374 (7) (am) of the statutes is created to read:

12 196.374 (7) (am) *Quadrennial funding of goals.* Except as provided in par. (bg),  
13 in each year of the quadrennium following the proceeding under sub. (3) (bc), each  
14 municipal utility and retail electric cooperative shall spend the amount determined  
15 by the municipal utility or retail electric cooperative under sub. (3) (br) 2. for that  
16 year on the following:

17 1. Commitment to community programs administered individually by the  
18 municipal utility or retail electric cooperative or jointly by the municipal utility or  
19 retail cooperative and other municipal utilities or retail electric cooperatives.

20 2. Contracts with a statewide programs contractor to administer commitment  
21 to community programs in the service territory of the municipal utility or retail  
22 electric cooperative.

23 3. Contracts with a wholesale supplier to administer commitment to  
24 community programs in the service territory of the municipal utility or retail electric  
25 cooperative.

1           4. Any combination of commitment to community programs or contracts under  
2 subds. 1. to 3.

3           **SECTION 142.** 196.374 (7) (b) (title) of the statutes is renumbered 196.374 (7)  
4 (br) (title).

5           **SECTION 143.** 196.374 (7) (b) 1. of the statutes is renumbered 196.374 (7) (br)  
6 and amended to read:

7           196.374 (7) (br) ~~Except as provided in subd. 2., each retail electric cooperative~~  
8 ~~and municipal utility shall spend the fees that it charges under par. (a) on~~  
9 ~~commitment to community programs.~~ The purpose of the commitment to community  
10 ~~programs under this paragraph~~ shall be to help achieve environmentally sound and  
11 adequate energy supplies at reasonable cost.

12           **SECTION 144.** 196.374 (7) (b) 2. of the statutes is repealed.

13           **SECTION 145.** 196.374 (7) (bg) of the statutes is created to read:

14           196.374 (7) (bg) *Wholesale supplier assignments.* A municipal utility or retail  
15 electric cooperative may assign to a wholesale supplier the duty to achieve a goal  
16 determined for the municipal utility or retail electric cooperative under sub. (3) (bn)  
17 1. f. for a regulated fuel. If a wholesale supplier accepts an assignment, the wholesale  
18 supplier shall notify the commission. A wholesale supplier that accepts an  
19 assignment shall do all of the following:

20           1. Determine the amount of funds necessary to achieve the assigned goal.

21           2. Spend the amount determined under subd. 1. in administering commitment  
22 to community programs on behalf of the municipal utility or retail electric  
23 cooperative.

24           3. Prepare and provide statements on behalf of the municipal utility or retail  
25 electric cooperative under par. (dm).

1           4. Provide for audits and submit reports on behalf of the municipal utility or  
2       retail electric cooperative under par. (e).

3           5. If the wholesale supplier accepts an assignment from more than one  
4       municipal utility or retail electric cooperative, carry out the duties specified in subds.  
5       1. to 4. on an aggregate basis for all the municipal utilities and retail electric  
6       cooperatives for which the wholesale supplier has accepted an assignment.

7           **SECTION 146.** 196.374 (7) (c) of the statutes is repealed.

8           **SECTION 147.** 196.374 (7) (cm) of the statutes is created to read:

9           196.374 (7) (cm) *Cost recovery.* The commission shall ensure in rate-making  
10       orders that a municipal utility recovers from its ratepayers the amounts the  
11       municipal utility spends to comply with this section.

12          **SECTION 148.** 196.374 (7) (d) of the statutes is repealed.

13          **SECTION 149.** 196.374 (7) (dm) of the statutes is created to read:

14          196.374 (7) (dm) *Annual statements.* Annually, a municipal utility or retail  
15       electric cooperative shall prepare a statement that describes the municipal utility's  
16       or retail electric cooperative's commitment to community programs and provide  
17       customers or members with a copy of the statement.

18          **SECTION 150.** 196.374 (7) (e) (title) of the statutes is repealed and recreated to  
19       read:

20          196.374 (7) (e) (title) *Audits and reports.*

21          **SECTION 151.** 196.374 (7) (e) 1. (intro.) of the statutes is amended to read:

22          196.374 (7) (e) 1. (intro.) Annually, each municipal utility and retail electric  
23       cooperative ~~that spends the fee that it charges under par. (a) for commitment to~~  
24       ~~community programs under par. (b) shall provide for an independent financial and~~  
25       ~~program audit of its the commitment to community programs that it administers or~~

1 for which it contracts under par. (am) and submit a report to the commission that  
2 describes all of the following:

3 **SECTION 152.** 196.374 (7) (e) 1. a. of the statutes is amended to read:

4 196.374 (7) (e) 1. a. An accounting of any fees charged to customers or members  
5 under par. (a) in the year in order to comply with the spending required under par.  
6 (am) and an accounting of the expenditures in the year on commitment to community  
7 programs under par. (b), including any amounts included in the municipal utility's  
8 or retail electric cooperative's calculations under par. (c) that the municipal utility  
9 or retail electric cooperative administers or for which it contracts under par. (am).

10 **SECTION 153.** 196.374 (7) (e) 1. b. of the statutes is amended to read:

11 196.374 (7) (e) 1. b. A description of the commitment to community programs  
12 established by the municipal utility or retail electric cooperative in the year  
13 described in subd. 1. a.

14 **SECTION 154.** 196.374 (7) (e) 1. c. of the statutes is amended to read:

15 196.374 (7) (e) 1. c. The effectiveness of the commitment to community  
16 programs described in subd. 1. a. in reducing demand for electricity by customers or  
17 members regulated fuels.

18 **SECTION 155.** 196.374 (7) (e) 1. e. of the statutes is created to read:

19 196.374 (7) (e) 1. e. An assessment, based on the program audit, of whether the  
20 commitment to community programs described in subd. 1. a. have met the goal for  
21 each regulated fuel for the year determined under sub. (3) (bn) 1. f.

22 **SECTION 156.** 196.374 (8) of the statutes is renumbered 196.374 (8) (d) and  
23 amended to read:

24 196.374 (8) (d) Exceptions. An energy utility that spends pays to a statewide  
25 programs contractor the full amount required under sub. (3) (b)-2. (bw) 3. or 3g. in

1 any year is considered to have satisfied its requirements under this section for that  
2 year. A municipal utility or retail electric cooperative that contracts with a statewide  
3 programs contractor under sub. (7) (am) 2. to achieve each of the utility's or  
4 cooperative's goals determined under sub. (3) (bn) 1. f. for a year is considered to have  
5 satisfied its requirements under this section for that year.

6 **SECTION 157.** 196.374 (8) (a), (b) and (c) of the statutes are created to read:

7 196.374 **(8)** (a) *Determinations.* 1. a. For each quadrennium following the  
8 proceeding under sub. (3) (bc), the commission shall determine the annual average  
9 reduction in demand for and use of each target fuel that is achieved under the  
10 statewide programs and achieved by or on behalf of each municipal utility and retail  
11 electric cooperative through commitment to community programs. Except as  
12 provided in subd. 1. b. and c., if the annual average reduction for a target fuel equals  
13 or exceeds the average of the goals determined under sub. (3) (bn) 1. e. or f. or 2. c.  
14 for the quadrennium, the commission shall conclude that the goal is achieved for the  
15 quadrennium.

16 b. If a municipal utility or retail electric cooperative enters into a contract  
17 under sub. (7) (am) 3. with a wholesale supplier and at least one other municipal  
18 utility or retail electric cooperative enters into a similar contract with the wholesale  
19 supplier, the commission shall determine whether to conclude that a goal is achieved  
20 for a regulated fuel for a year under subd. 1. a. based on the aggregate annual average  
21 reduction that results for that regulated fuel for that year under all of the contracts.

22 c. If a wholesale supplier accepts assignment of a goal under sub. (7) (bg) for  
23 a regulated fuel for a year from more than one municipal utility or retail electric  
24 cooperative, the commission shall determine whether to conclude that the goal is  
25 achieved on an aggregate basis for all the municipal utilities and retail electric

1 cooperatives for which the wholesale supplier has accepted the assignment, rather  
2 than on an individual basis for each municipal utility or retail electric cooperative.

3 2. For each utility-administered, supplemental utility, and large energy  
4 customer program, the commission shall determine whether the program achieved  
5 the goals approved for the program under sub. (3) (c) 2. on average over the time  
6 period in which the program is in effect or another time period specified by the  
7 commission.

8 (b) *Reviews.* 1. If the commission determines under par. (a) that a goal is not  
9 achieved, the commission shall investigate, as applicable, the statewide programs or  
10 the utility-administered, large energy customer, or commitment to community  
11 programs at issue, and determine the reasons for failure to achieve the goal.

12 2. If the commission determines under subd. 1. that a statewide programs  
13 contractor or person administering the utility-administered, large energy customer,  
14 or commitment to community program made a good faith effort to meet the goal and  
15 that the failure is due to factors outside the statewide program contractor's or  
16 person's control, the commission shall take those factors into account in modifying  
17 goals for and, where applicable, approving future programs administered by the  
18 statewide programs contractor or person.

19 3. If the commission determines under subd. 1. that a statewide programs  
20 contractor or person administering the utility-administered, large energy customer,  
21 or commitment to community program did not make a good faith effort to achieve the  
22 goal or that the failure to achieve the goal was due to factors within the statewide  
23 program contractor's or person's control, the commission shall implement remedies  
24 according to the rules promulgated under par. (c). The commission may determine  
25 that a statewide programs contractor or person administering the

1 utility-administered, large energy customer, or commitment to community program  
2 did not make a good faith effort to meet a goal only if the commission finds any of the  
3 following:

4 a. The statewide programs contractor or person has repeatedly or grossly failed  
5 to meet a goal.

6 b. For a commitment to community program, the municipal utility, retail  
7 electric cooperative, or wholesale supplier administering or contracting for the  
8 program did not determine an amount of funds under sub. (3) (br) 2. or (7) (bg) 1. that  
9 could reasonably be considered necessary to achieve the goal.

10 c. Any other condition specified by the commission by rule.

11 (c) *Remedies.* The commission shall promulgate rules specifying remedies to  
12 implement under par. (b) 3. that are in proportion to the magnitude of the failure to  
13 achieve a goal and the degree to which a statewide programs contractor or person  
14 administering the utility-administered, large energy customer, or commitment to  
15 community program did not make a good faith effort or did not control the factors  
16 that resulted in the failure to achieve the goal. The rules shall include all of the  
17 following remedies:

18 1. An order that a statewide programs contractor or person take corrective  
19 actions, which may include achieving the goal in a year or other time period specified  
20 by the commission, in addition to achieving any other goal under this section that  
21 applies to that year or time period.

22 2. For a goal under the statewide programs:

23 a. An order that the energy utilities invoke any provisions of a contract under  
24 sub. (2) (a) 1., or that a statewide programs contractor invoke any provisions of a  
25 subcontract, that impose monetary penalties for failure to achieve a goal.

1           b. An order that the energy utilities modify or terminate the contract with a  
2 statewide programs contractor under sub. (2) (a) 1. or an order that a statewide  
3 programs contractor modify or terminate any subcontract.

4           3. For a goal under a utility–administered or large energy customer program,  
5 an order modifying or terminating the program.

6           4. For a goal of a municipal utility or retail electric cooperative, an order  
7 requiring the municipal utility or retail electric cooperative to modify or terminate  
8 a contract with or assignment to a wholesale supplier under sub. (7) (am) 3. or (bg),  
9 or enter into a contract with a statewide programs contractor under sub. (7) (am) 2.,  
10 or an order requiring both. The commission may rescind an order requiring a  
11 municipal utility or retail electric cooperative to enter into a contract with a  
12 statewide programs contractor if the municipal utility or retail electric cooperative  
13 provides reasonable assurance that it will provide programs and set budgets  
14 reasonably designed to achieve the goal in the future.

15           5. Any other remedy specified by the commission.

16           **SECTION 158.** 196.374 (9) and (10) of the statutes are created to read:

17           **196.374 (9) TREATMENT OF CERTAIN CAPITAL INVESTMENTS.** (a) The commission  
18 may allow an energy utility to earn a return on capital invested by the energy utility  
19 under a utility–administered or supplemental utility program for energy  
20 conservation or efficiency equipment that is located on customer premises, including  
21 equipment owned by either the energy utility or a customer. The commission may  
22 make such an allowance only if the commission determines that the investment is  
23 prudent and a cost–effective means of advancing energy conservation or efficiency.



1 (b) The commission shall promulgate rules to implement this subsection,  
2 including rules specifying the energy conservation or efficiency equipment that  
3 qualifies for treatment under par. (a).

4 **(10) COORDINATION WITH FEDERAL LAW.** The commission shall minimize  
5 reporting and other compliance requirements on energy providers to the maximum  
6 extent allowed under this section for the purpose of coordination with any similar  
7 requirements under federal law. If the commission determines that statutory  
8 changes to this section are necessary to comply with this subsection, the commission  
9 shall submit a report recommending the statutory changes to the legislature in the  
10 manner described under s. 13.172 (3).

11 **SECTION 159.** 196.377 (title) of the statutes is repealed.

12 **SECTION 160.** 196.377 (1) of the statutes is renumbered 196.377.

13 **SECTION 161.** 196.377 (2) of the statutes is repealed.

14 **SECTION 162.** 196.378 (1) (intro.) and (ag) of the statutes are renumbered  
15 196.378 (1r) (intro.) and (ag), and 196.378 (1r) (ag), as renumbered, is amended to  
16 read:

17 196.378 **(1r)** (ag) “Baseline renewable percentage” means the average of an  
18 energy electric provider’s renewable energy percentage for 2001, 2002, and 2003.

19 **SECTION 163.** 196.378 (1) (am) of the statutes is repealed.

20 **SECTION 164.** 196.378 (1) (ar) of the statutes is renumbered 196.378 (1r) (ar)  
21 and amended to read:

22 196.378 **(1r)** (ar) “Biomass” ~~means a resource that derives energy from wood~~  
23 ~~or plant material or residue, biological waste, crops grown for use as a resource or~~  
24 ~~landfill gases. “Biomass” does not include garbage, as defined in s. 289.01 (9), or~~  
25 ~~nonvegetation-based industrial, commercial or household waste, except that~~

1 “biomass” includes refuse-derived fuel used for a renewable facility that was in  
2 service before January 1, 1998 has the meaning given in s. 196.374 (1) (am).

3 **SECTION 165.** 196.378 (1) (b) of the statutes is repealed.

4 **SECTION 166.** 196.378 (1) (c) and (d) of the statutes are renumbered 196.378 (1r)  
5 (c) and (d).

6 **SECTION 167.** 196.378 (1) (fg) of the statutes is renumbered 196.378 (1r) (fg)  
7 (intro.) and amended to read:

8 196.378 (1r) (fg) (intro.) “Renewable energy” means electricity derived from  
9 ~~a-~~ any of the following:

10 1. A renewable resource. If the electricity is derived from the combustion of a  
11 renewable resource fuel and another fuel, the “renewable energy” calculated under  
12 this subdivision is the total amount of electricity that is derived multiplied by a ratio,  
13 of which the numerator is the energy content of the renewable resource fuel and the  
14 denominator is the energy content of the renewable resource fuel and the other fuel.

15 **SECTION 168.** 196.378 (1) (fm) (intro.) of the statutes is renumbered 196.378  
16 (1r) (fm) (intro.).

17 **SECTION 169.** 196.378 (1) (fm) 1. of the statutes is renumbered 196.378 (1r) (fm)  
18 1. and amended to read:

19 196.378 (1r) (fm) 1. The electric provider’s ~~total~~ renewable energy in that year  
20 that is allowed under the rules promulgated under sub. (3) (a) 5.

21 **SECTION 170.** 196.378 (1) (fm) 2. of the statutes is renumbered 196.378 (1r) (fm)  
22 2. and amended to read:

23 196.378 (1r) (fm) 2. The ~~renewable resource portfolio~~ credits ~~created or~~  
24 ~~purchased by the electric provider, if any, that the electric provider elects to use in~~  
25 ~~that year.~~

1       **SECTION 171.** 196.378 (1) (fr) of the statutes is repealed.

2       **SECTION 172.** 196.378 (1) (g) of the statutes is renumbered 196.378 (1r) (g).

3       **SECTION 173.** 196.378 (1) (h) (intro.) of the statutes is renumbered 196.378 (1r)  
4 (h) and amended to read:

5       196.378 (1r) (h) “Renewable resource” means ~~any of the following:~~ has the  
6 meaning given in s. 196.374 (1) (j).

7       **SECTION 174.** 196.378 (1) (h) 1., 1m. and 2. of the statutes are repealed.

8       **SECTION 175.** 196.378 (1) (i) of the statutes is renumbered 196.378 (1r) (i) and  
9 amended to read:

10       196.378 (1r) (i) “Renewable resource credit” means a renewable resource  
11 credit, as defined in s. 196.378 (1) (i), 2007 stats., or a renewable resource credit  
12 calculated in accordance with rules promulgated ~~created~~ under sub. (3) (a) 1. and 2.

13       **SECTION 176.** 196.378 (1) (j) of the statutes is repealed.

14       **SECTION 177.** 196.378 (1) (k) of the statutes is renumbered 196.378 (1r) (k).

15       **SECTION 178.** 196.378 (1) (o) of the statutes is repealed.

16       **SECTION 179.** 196.378 (1) (p) of the statutes is renumbered 196.378 (1r) (p).

17       **SECTION 180.** 196.378 (1g) of the statutes is created to read:

18       196.378 (1g) LEGISLATIVE FINDINGS. The legislature finds all of the following:

19       (a) It is essential to the health and safety and economic well-being of  
20 Wisconsin that the state maintain a highly reliable electric system at all times that  
21 includes a diverse mix of resources both in terms of type and geographic location.  
22 Geographic diversity is particularly important for intermittent resources like wind  
23 power.

24       (b) It is essential to the health and safety and economic well-being of Wisconsin  
25 that the state take actions to mitigate global climate change from emissions of

1 greenhouse gasses. Central to such mitigation efforts is reducing reliance on  
2 electricity produced from fossil fuels through policies such as the renewable portfolio  
3 standard.

4 (c) As of the effective date of this paragraph .... [LRB inserts date], the most  
5 abundant and affordable sources of electricity that can be used to comply with the  
6 renewable portfolio standard are wind resources in western Minnesota, the Dakotas,  
7 and Iowa. Exclusive reliance on these resources for compliance with the renewable  
8 portfolio standard will produce a significant increase in dependence on imported  
9 electricity with the associated congestion cost risks and not provide needed diversity  
10 for the state's renewable resource portfolio.

11 (d) To balance the competing imperatives of developing a renewable generation  
12 portfolio that is diverse as to geographic location and type of renewable resources in  
13 the portfolio, including smaller scale distributed resources, mitigating high  
14 transmission congestion cost risk, and reducing dependence on electricity produced  
15 from fossil fuels, it is essential that Wisconsin adopt a renewable portfolio standard  
16 that requires a part of the production of electricity from renewable resources in this  
17 state.

18 **SECTION 181.** 196.378 (1r) (at) of the statutes is created to read:

19 196.378 (1r) (at) "Conservation certificate" means a certificate created under  
20 the rules promulgated under sub. (3m) (b).

21 **SECTION 182.** 196.378 (1r) (de) of the statutes is created to read:

22 196.378 (1r) (de) "In-state percentage" means, with respect to an electric  
23 provider, the portion of the electric provider's renewable energy percentage that is  
24 derived from electricity generated by renewable facilities located in this state,

1 renewable resource credits separated from such electricity, and nonelectric energy  
2 credits.

3 **SECTION 183.** 196.378 (1r) (dm) of the statutes is created to read:

4 196.378 (1r) (dm) “Nonelectric energy” means any of the following types of  
5 energy or fuel produced or generated at a facility located in this state and placed in  
6 service on or after the effective date of this paragraph .... [LRB inserts date], but only  
7 if the energy or fuel displaces fossil fuel use in this state:

8 1. The thermal output from a cogeneration production plant, as defined in s.  
9 79.005 (1g). If the cogeneration production plant is fueled with a mixture of  
10 renewable resource fuel, synthetic fuel, or pelletized waste, and other fuel, the  
11 thermal output under this subdivision shall be the total thermal output of the  
12 cogeneration production plant multiplied by a ratio, of which the numerator is the  
13 energy content of the renewable resource fuel, synthetic fuel, or pelletized waste and  
14 the denominator is the energy content of the renewable resource fuel, synthetic fuel,  
15 or pelletized waste, and the other fuel.

16 2. The thermal output from a renewable resource–fueled or synthetic  
17 fuel–fueled boiler. If the boiler is fueled with a mixture of a renewable resource or  
18 synthetic fuel, and other fuel, the thermal output under this subdivision shall be the  
19 total thermal output of the boiler multiplied by a ratio, of which the numerator is the  
20 energy content of the renewable resource or synthetic fuel and the denominator is  
21 the energy content of the renewable resource or synthetic fuel, and the other fuel.

22 3. The thermal output of a geothermal system.

23 4. Biogas that is put into a natural gas transmission or distribution pipeline.

24 5. The thermal output of a solar water heating system.

25 6. Useable light delivered by a solar light pipe.

1           7. Energy derived from other applications, specified by the commission by rule,  
2 that produce energy other than electricity from renewable resources.

3           **SECTION 184.** 196.378 (1r) (ds) of the statutes is created to read:

4           196.378 **(1r)** (ds) “Nonelectric energy credit” means a credit created under the  
5 rules under sub. (3) (b).

6           **SECTION 185.** 196.378 (1r) (dw) of the statutes is created to read:

7           196.378 **(1r)** (dw) “Pelletized waste” means pellets made from waste material  
8 that does not include garbage, as defined in s. 289.01 (9), and that contains no more  
9 than 30 percent fixed carbon.

10          **SECTION 186.** 196.378 (1r) (em) of the statutes is created to read:

11          196.378 **(1r)** (em) “Portfolio credit” means a nonelectric energy credit or  
12 renewable resource credit.

13          **SECTION 187.** 196.378 (1r) (fg) 2. of the statutes is created to read:

14          196.378 **(1r)** (fg) 2. The combustion of refuse–derived fuel in a facility that was  
15 in service before January 1, 1998. If the facility is fueled with a mixture of  
16 refuse–derived fuel and fossil fuels, renewable energy calculated under this  
17 subdivision is the total amount of electricity derived from the facility multiplied by  
18 a ratio, of which the numerator is the energy content of the refuse–derived fuel and  
19 the denominator is the energy content of the refuse–derived fuel and the fossil fuels.

20          **SECTION 188.** 196.378 (1r) (fg) 3. of the statutes is created to read:

21          196.378 **(1r)** (fg) 3. The combustion of solid waste that has been subject to a  
22 process to remove recyclable and noncombustible materials in a facility that is owned  
23 by a county in this state and that was in service before January 1, 1998. If the facility  
24 is fueled with a mixture of solid waste and fossil fuels, renewable energy calculated  
25 under this subdivision is the total amount of electricity derived from the facility

multiplied by a ratio, of which the numerator is the energy content of the solid waste and the denominator is the energy content of the solid waste and the fossil fuels.

**SECTION 189.** 196.378 (1r) (fg) 4. of the statutes is created to read:

196.378 (1r) (fg) 4. The combustion of a synthetic fuel or pelletized waste.

**SECTION 190.** 196.378 (1r) (fm) 3. of the statutes is created to read:

196.378 (1r) (fm) 3. Subject to sub. (2) (b) 1g., conservation certificates that an electric provider elects to use in that year.

**SECTION 191.** 196.378 (1r) (gm) of the statutes is created to read:

196.378 (1r) (gm) “Renewable portfolio standard” means the requirement to comply with sub. (2) (a) 2.

**SECTION 192.** 196.378 (1r) (kg) of the statutes is created to read:

196.378 (1r) (kg) “Synthetic fuel” means a fuel that is produced by the pyrolysis, or plasma gasification, of organic or waste material.

**SECTION 193.** 196.378 (2) (a) 1. of the statutes is amended to read:

196.378 (2) (a) 1. No later than June 1, ~~2016~~ 2014, the commission shall prepare a report stating whether, by December 31, ~~2015~~ 2013, the state has met a goal of 10 percent of all electric energy consumed in the state being renewable energy. No later than June 1, 2021, the commission shall prepare a report stating whether, by December 31, 2020, the state has met a goal of 20 percent of all electric energy consumed in this state being renewable energy and 6 percent of all electric energy consumed in this state being generated by renewable facilities located in this state. No later than June 1, 2026, the commission shall prepare a report stating whether, by December 31, 2025, the state has met a goal of 25 percent of all electric energy consumed in this state being renewable energy and 10 percent of all electric energy consumed in this state being generated by renewable facilities located in this state.



1 If the a goal for a year has not been achieved, the a report shall indicate why the goal  
2 was not achieved and how it may be achieved, and the commission shall prepare  
3 similar reports biennially thereafter until the goal is achieved. The commission shall  
4 submit reports under this subdivision to the governor and chief clerk of each house  
5 of the legislature for distribution to the legislature under s. 13.172 (2).

6 **SECTION 194.** 196.378 (2) (a) 2. (intro.) of the statutes is amended to read:

7 196.378 (2) (a) 2. (intro.) ~~Except~~ Subject to par. (am) and except as provided in  
8 pars. (e), (f), and (g):

9 **SECTION 195.** 196.378 (2) (a) 2. c. of the statutes is amended to read:

10 196.378 (2) (a) 2. c. For the years 2011, and 2012, ~~2013, and 2014~~, each electric  
11 provider may not decrease its renewable energy percentage below the electric  
12 provider's renewable energy percentage required under subd. 2. b.

13 **SECTION 196.** 196.378 (2) (a) 2. d. of the statutes is amended to read:

14 196.378 (2) (a) 2. d. For the year ~~2015~~ 2013, each electric provider shall increase  
15 its renewable energy percentage so that it is at least 6 percentage points above the  
16 electric provider's baseline renewable percentage.

17 **SECTION 197.** 196.378 (2) (a) 2. e. of the statutes is amended to read:

18 196.378 (2) (a) 2. e. For ~~each year after~~ the years 2014, 2015, 2016, 2017, 2018,  
19 and 2019, each electric provider may not decrease its renewable energy percentage  
20 below the electric provider's renewable energy percentage required under subd. 2.  
21 d.

22 **SECTION 198.** 196.378 (2) (a) 2. f. of the statutes is created to read:

23 196.378 (2) (a) 2. f. For the year 2020, each electric provider shall increase its  
24 renewable energy percentage so that it is at least 16 percentage points above the  
25 electric provider's baseline renewable percentage and shall ensure that its in-state



percentage is not less than 30 percent of the renewable energy percentage required under this subd. 2. f.

**SECTION 199.** 196.378 (2) (a) 2. g. of the statutes is created to read:

196.378 (2) (a) 2. g. For the years 2021, 2022, 2023, and 2024, each electric provider may not decrease its renewable energy percentage below the electric provider's renewable energy percentage required under subd. 2. f. and may not decrease its in-state percentage below the electric provider's in-state percentage required under subd. 2. f.

**SECTION 200.** 196.378 (2) (a) 2. h. of the statutes is created to read:

196.378 (2) (a) 2. h. For the year 2025, each electric provider shall increase its renewable energy percentage so that it is at least 21 percentage points above the electric provider's baseline renewable percentage and shall ensure that its in-state percentage is not less than 40 percent of the renewable energy percentage required under this subd. 2. h.

**SECTION 201.** 196.378 (2) (a) 2. i. of the statutes is created to read:

196.378 (2) (a) 2. i. For each year after 2025, each electric provider may not decrease its renewable energy percentage below the electric provider's renewable energy percentage required under subd. 2. h. and may not decrease its in-state percentage below the electric provider's in-state percentage required under subd. 2. h.

**SECTION 202.** 196.378 (2) (am) of the statutes is created to read:

196.378 (2) (am) For the years 2020 to 2024, an electric provider is not required to increase its renewable energy percentage to a percentage in excess of 20 percent or its baseline renewable percentage, whichever is greater. For the year 2025 and each year thereafter, an electric provider is not required to increase its renewable

1 energy percentage to a percentage in excess of 25 percent or its baseline renewable  
2 percentage, whichever is greater.

3 **SECTION 203.** 196.378 (2) (b) (intro.) of the statutes is amended to read:

4 196.378 (2) (b) (intro.) For purposes of determining compliance with ~~par. (a)~~ the  
5 renewable portfolio standard:

6 **SECTION 204.** 196.378 (2) (b) 1g. of the statutes is created to read:

7 196.378 (2) (b) 1g. An electric provider may include conservation certificates  
8 in its renewable energy percentage only for the years 2013, 2014, 2020, and each year  
9 after 2020, and only as follows:

10 a. For the years 2013 and 2014, conservation certificates may be included for  
11 no more than 2.5 percentage points of an electric provider's renewable energy  
12 percentage.

13 b. For the years 2020 to 2024, conservation certificates may be included for no  
14 more than 4 percentage points of an electric provider's renewable energy percentage.

15 c. For the year 2025 and each year thereafter, conservation certificates may be  
16 included for no more than 5 percentage points of an electric provider's renewable  
17 energy percentage.

18 **SECTION 205.** 196.378 (2) (b) 1j. of the statutes is created to read:

19 196.378 (2) (b) 1j. For each renewable resource credit that is created from  
20 renewable energy derived from a renewable facility designed for nominal operation  
21 at a capacity of 2 megawatts or less, an electric provider may include 1.25 renewable  
22 resource credits in the electric provider's renewable energy percentage, but may  
23 include only one renewable resource credit in the electric provider's in-state  
24 percentage.

25 **SECTION 206.** 196.378 (2) (b) 1m. (intro.) of the statutes is amended to read:

1           196.378 (2) (b) 1m. (intro.) The Except as provided in subd. 1r., the amount of  
2           renewable resource credits associated with electricity derived from hydroelectric  
3           renewable resources that an electric provider may count toward satisfying the  
4           ~~requirements of par. (a) 2.~~ include in its renewable energy percentage shall be those  
5           renewable resource credits associated with all electricity provided by hydroelectric  
6           power that the electric provider purchased in the reporting year plus renewable  
7           resource credits associated with all of the following:

8           **SECTION 207.** 196.378 (2) (b) 1m. a. of the statutes is amended to read:

9           196.378 (2) (b) 1m. a. The For facilities owned or operated by the electric  
10          provider that were initially placed in service before January 1, 2004, the average of  
11          the amounts of hydroelectric power generated by the facilities owned or operated by  
12          ~~the electric provider~~ for 2001, 2002, and 2003, regardless of whether the electric  
13          provider owned or operated the facilities in those years, adjusted to reflect the  
14          permanent removal from service of any of those facilities and adjusted to reflect any  
15          capacity increases from improvements made to those facilities on or after January  
16          1, 2004.

17          **SECTION 208.** 196.378 (2) (b) 1r. of the statutes is created to read:

18          196.378 (2) (b) 1r. a. Except as provided in subd. 1r. b. and c., an electric  
19          provider may not include in its renewable energy percentage any renewable resource  
20          credits associated with electricity derived from a hydroelectric facility that has a  
21          rated capacity of 60 megawatts or more.

22          b. Except as provided in subd. 1r. c., an electric provider may include in its  
23          renewable energy percentage renewable resource credits associated with electricity  
24          generated after December 31, 2015, from a hydroelectric facility located outside this

1 state that has a rated capacity of 60 megawatts or more and that is first placed in  
2 service on or after the effective date of this subd. 1r. b. .... [LRB inserts date].

3 c. Renewable resource credits associated with electricity derived from a  
4 hydroelectric facility that is located in Manitoba, Canada, that has a rated capacity  
5 of 60 megawatts or more, and that is first placed in service on or after the effective  
6 date of this subd. 1r. c. .... [LRB inserts date], shall be included in a renewable energy  
7 percentage only if the province of Manitoba has informed the commission in writing  
8 that the interim licenses under which the Lake Winnipeg Regulation Project and the  
9 Churchill River Diversion Project were operating on the effective date of this subd.  
10 1r. c. .... [LRB inserts date], have been replaced by final licenses after the completion  
11 of a Crown–Aboriginal consultation process as required under Canadian law and the  
12 final licenses are in effect under Canadian law.

13 d. The province of Manitoba shall file with the commission all final approvals,  
14 licenses, and permits required under subd. 1r. c.; a written report setting forth the  
15 processes followed to obtain such final licenses; a report summarizing the  
16 consultation processes with impacted First Nations and its compliance with  
17 Canadian law; and all agreements with impacted First Nations related to the Lake  
18 Winnipeg Regulation Project and the Churchill River Diversion Project. Such filings  
19 shall be subject to public comment. Within 90 days of receiving the filings required  
20 under this subd. 1r. d., the commission shall prepare and deliver a report to the  
21 legislature, in the manner described under s. 13.172 (2), summarizing such filings  
22 and the comments received on them.

23 **SECTION 209.** 196.378 (2) (b) 2. of the statutes is repealed.

24 **SECTION 210.** 196.378 (2) (b) 2m. of the statutes is created to read:

1           196.378 (2) (b) 2m. A wholesale supplier may demonstrate compliance with the  
2       renewable portfolio standard on behalf of a member or customer, or on behalf of its  
3       members or customers in the aggregate.

4           **SECTION 211.** 196.378 (2) (b) 4. and 5. of the statutes are repealed.

5           **SECTION 212.** 196.378 (2) (c) of the statutes is renumbered 196.378 (2) (c) 1. and  
6       amended to read:

7           196.378 (2) (c) 1. No later than April 15 annually, or another annual date  
8       specified by the commission by rule, an electric provider shall submit a report to the  
9       commission that identifies the electric provider's renewable energy percentage for  
10      the previous year and, beginning with the report submitted in 2021, the electric  
11      provider's in-state percentage for the previous year, and describes the electric  
12      provider's compliance with par. (a) ~~2.~~ the renewable portfolio standard and the  
13      electric provider's implementation plans for future compliance. ~~Reports under this~~  
14      ~~paragraph may include certifications from renewable energy suppliers regarding the~~  
15      ~~sources and amounts of renewable energy supplied to the electric provider.~~ The  
16      commission may specify the documentation that is required to be included with  
17      reports submitted under this paragraph. The commission may require that electric  
18      providers submit the reports in a proceeding, initiated by the commission under this  
19      section relating to the implementation of s. 1.12, or in a proceeding for preparing a  
20      strategic energy assessment under s. 196.491 (2). A wholesale supplier may submit  
21      a report under this subdivision on behalf of a member or customer or on behalf of its  
22      members or customers in the aggregate.

23           ~~2.~~ No later than 90 days after the commission's receipt of ~~an electric provider's~~  
24      a report submitted by or on behalf of an electric provider under subd. 1., the

1 commission shall inform the electric provider whether the electric provider is in  
2 compliance with ~~par. (a) 2. the renewable portfolio standard.~~

3 **SECTION 213.** 196.378 (2) (d) (intro.) of the statutes is amended to read:

4 196.378 **(2)** (d) (intro.) The commission shall allow an electric utility to recover  
5 from ratepayers the cost of ~~providing total renewable energy to its retail customers~~  
6 ~~in amounts that equal or exceed the percentages specified in par. (a) complying with~~  
7 ~~or exceeding the renewable portfolio standard.~~ Subject to any approval of the  
8 commission that is necessary, an electric utility may recover costs under this  
9 paragraph by any of the following methods:

10 **SECTION 214.** 196.378 (2) (e) (intro.) of the statutes is amended to read:

11 196.378 **(2)** (e) (intro.) An electric provider, ~~or a wholesale supplier for its~~  
12 ~~members,~~ may request that the commission grant a delay for complying with a  
13 deadline specified in ~~par. (a) 2. the renewable portfolio standard or a waiver from~~  
14 ~~complying with an in-state percentage deadline specified in the renewable portfolio~~  
15 ~~standard.~~ The commission shall hold a hearing on the request and, if requested by  
16 the electric provider ~~or wholesale supplier,~~ treat the matter as a contested case. The  
17 commission shall grant a delay or waiver if the commission determines that the  
18 applicant has demonstrated good faith efforts to comply with the deadline and that  
19 any of the following applies:

20 **SECTION 215.** 196.378 (2) (f) of the statutes is amended to read:

21 196.378 **(2)** (f) A wholesale electric cooperative ~~for its members or a municipal~~  
22 ~~electric company~~ supplier for its members or customers may delay compliance with  
23 a deadline specified in ~~par. (a) 2. the renewable portfolio standard or waive~~  
24 ~~compliance with an in-state percentage deadline specified in the renewable portfolio~~  
25 ~~standard~~ for any reason specified in par. (e) 1. to 4. A wholesale electric cooperative

1     ~~or a municipal electric company supplier~~ that delays or waives compliance with a  
2     ~~deadline specified in par. (a) 2.~~ under this paragraph shall inform the commission of  
3     the delay or waiver and the reason for the delay or waiver, and shall submit  
4     information to the commission demonstrating that, notwithstanding good faith  
5     efforts by the wholesale electric cooperative or municipal electric company supplier  
6     and its members or customers, the members or customers cannot meet the deadline  
7     for the stated reason.

8           **SECTION 216.** 196.378 (2) (g) 2. of the statutes is amended to read:

9           196.378 (2) (g) 2. An energy consumer advocacy group may request that the  
10     commission grant to an electric provider that serves one or more members of the  
11     group a delay for complying with a deadline specified in ~~par. (a) 2.~~ the renewable  
12     portfolio standard or a waiver from complying with an in-state percentage deadline  
13     specified in the renewable portfolio standard. The commission shall hold a hearing  
14     on the request and, if requested by the energy consumer advocacy group, treat the  
15     matter as a contested case. The commission shall grant a delay or waiver if the  
16     commission determines that the utility has demonstrated good faith efforts to  
17     comply with the deadline and that any of the conditions in par. (e) 1. to 4. apply.

18          **SECTION 217.** 196.378 (2) (h) of the statutes is created to read:

19          196.378 (2) (h) For purposes of a delay or waiver under pars. (e), (f), and (g),  
20     a renewable energy percentage deadline for a year and an in-state percentage  
21     deadline for the same year are separate deadlines for which separate delays or  
22     waivers must be granted or authorized under par. (e), (f), or (g).

23          **SECTION 218.** 196.378 (3) of the statutes is repealed and recreated to read:

24          196.378 (3) **PORTFOLIO CREDITS.** (a) *Renewable resource credits.* 1. Whenever  
25     a person generates renewable energy, the person creates renewable resource credits

1 in an amount equal to one credit for each megawatt hour of renewable energy  
2 generated. Except as provided in subd. 2., a person that generates renewable energy  
3 may do any of the following:

4 a. Sell the renewable energy and the associated renewable resource credits to  
5 any other person. For renewable energy that is sold at wholesale in this state, the  
6 sale is considered to include the associated renewable resource credits unless an  
7 agreement between the parties specifies otherwise.

8 b. Separate the renewable resource credits from the renewable energy and sell,  
9 trade, transfer, assign, bank for future use, or permanently retire the credits or, if the  
10 person is an electric provider, elect to include the credits in the electric provider's  
11 renewable energy percentage.

12 2. Renewable resource credits associated with hydroelectric power specified in  
13 sub. (2) (b) 1m. a. may not be sold, traded, transferred, assigned, or banked for future  
14 use.

15 3. A person that purchases renewable energy from which the associated  
16 renewable resource credits have not been separated may take any of the actions  
17 described in subd. 1. a. and b.

18 4. a. An electric provider may not use renewable resource credits created by the  
19 generation of renewable energy outside this state to comply with an in-state  
20 percentage requirement of the renewable portfolio standard.

21 b. An electric provider may include renewable resource credits created by the  
22 generation of renewable energy in the electric provider's renewable energy  
23 percentage if the credits are documented in a regional credit tracking system  
24 designated by the commission in rules promulgated under par. (c) 4. and the credits



1 satisfy the requirements of this subsection and the rules promulgated under par. (c)

2 4.

3 c. An electric provider may not include a renewable resource credit in the  
4 electric provider's renewable energy percentage if the renewable resource credit or  
5 renewable energy from which the credit has been separated has been used to comply  
6 with the renewable energy requirements of another state.

7 5. The commission shall promulgate rules that allow an electric provider to  
8 include in the electric provider's renewable energy percentage renewable energy  
9 generated or purchased by the electric provider from which renewable resource  
10 credits have not been separated.

11 (b) *Nonelectric energy credits.* The commission shall promulgate rules allowing  
12 any person to create nonelectric energy credits in an amount equal to one credit for  
13 each megawatt hour equivalent of nonelectric energy produced or generated by the  
14 person in this state. The rules shall include requirements and procedures for  
15 determining the megawatt hour equivalent of nonelectric energy, measuring and  
16 verifying nonelectric energy, and demonstrating that nonelectric energy has  
17 displaced fossil fuel use in this state. In determining the megawatt hour equivalent  
18 of nonelectric energy, the rules shall reduce the megawatt hour equivalent to account  
19 for the energy consumed in producing or generating the nonelectric energy.

20 (c) *In general.* 1. A person that creates a portfolio credit may assign ownership  
21 of the credit to another person by contract.

22 2. A person that purchases portfolio credits may sell, trade, transfer, assign,  
23 bank for future use, or permanently retire the credits, or, if the person is an electric  
24 provider, elect to include the credits in the electric provider's renewable energy  
25 percentage.

1           3. A portfolio credit remains eligible to be included in a renewable energy  
2 percentage until an electric provider uses the credit in the electric provider's  
3 renewable energy percentage or the owner of the credit retires the credit.

4           4. The commission shall promulgate rules that establish requirements and  
5 procedures for creating, selling, trading, transferring, assigning, banking, and  
6 retiring portfolio credits, for an electric provider's inclusion of portfolio credits in the  
7 electric provider's renewable energy percentage, and for tracking portfolio credits  
8 under a regional credit tracking system designated by the commission. The  
9 commission may designate a regional credit tracking system other than the Midwest  
10 Renewable Energy Tracking System only if the commission determines that the  
11 other system has eligibility and verification requirements that are comparable to the  
12 Midwest Renewable Energy Tracking System.

13           **SECTION 219.** 196.378 (3m) of the statutes is created to read:

14           **196.378 (3m) CONSERVATION CERTIFICATES.** (a) In this subsection:

15           1. "Commitment to community program" has the meaning given in s. 196.374  
16 (1) (b).

17           2. "Eligible facility" means a facility of an agricultural, commercial, industrial,  
18 governmental, or institutional customer or member of an electric provider that is a  
19 large customer or member. The commission shall promulgate rules defining "large  
20 customer or member" for purposes of this subdivision.

21           3. "Supplemental utility program" has the meaning given in s. 196.374 (1) (mh).

22           4. "Utility-administered program" has the meaning given in s. 196.374 (1)  
23 (mu).

24           (b) The commission shall promulgate rules allowing for the creation of  
25 conservation certificates in an amount equal to one certificate for each megawatt

1 hour of electric energy conserved under a project at an eligible facility if all of the  
2 requirements of par. (c) are satisfied. The rules shall include requirements and  
3 procedures for calculating the megawatt hours of electric energy that is conserved  
4 under a project and for determining that the requirements of par. (c) are satisfied.

5 (bm) 1. A person who creates a conservation certificate under the rules  
6 promulgated under par. (b) may assign ownership of the certificate to another person  
7 by contract.

8 2. A person that purchases a conservation certificate may sell, trade, transfer,  
9 assign, bank for future use, or permanently retire the certificate, or, if the person is  
10 an electric provider, elect to include the certificate in the electric provider's  
11 renewable energy percentage as specified in sub. (2) (b) 1g.

12 3. A conservation certificate is eligible to be included in a renewable energy  
13 percentage until an electric provider uses the certificate in the electric provider's  
14 renewable energy percentage or the owner of the certificate retires the certificate.

15 (c) A conservation certificate based on a project at an eligible facility may be  
16 created only if all of the following are satisfied:

17 1. The project is installed under a utility-administered program, a  
18 supplemental utility program, or a commitment to community program.

19 2. The project is implemented or placed into service on or after the effective date  
20 of this subdivision .... [LRB inserts date].

21 3. If the project is installed under a utility-administered program or  
22 supplemental utility program, the person installing the project complies with labor  
23 standards for the work force involved in the project specified by rule by the  
24 commission. The rules shall specify minimum wages that must be paid to a specified  
25 percentage of the work force, minimum health care benefits that the must be

1 provided to the work force, and apprenticeship and training requirements for the  
2 work force. The rules shall also allow the commission to waive application of any  
3 requirement under the rules under conditions specified in the rules. To the extent  
4 practicable, the rules shall minimize the regulatory burden of complying with the  
5 rules.

6 **SECTION 220.** 196.378 (4) of the statutes, as affected by 2009 Wisconsin Act 40,  
7 is repealed.

8 **SECTION 221.** 196.378 (4m) (a) of the statutes is amended to read:

9 196.378 **(4m)** (a) The commission may not impose on an electric provider any  
10 requirement that increases the electric provider's renewable energy percentage or  
11 in-state percentage beyond that required under sub. (2) (a) 2. the renewable portfolio  
12 standard. If an electric provider is in compliance with the requirements of sub. (2)  
13 (a) 2. renewable portfolio standard, the commission may not require the electric  
14 provider to undertake, administer, or fund any other renewable energy program.  
15 This paragraph does not limit the authority of the commission to enforce an electric  
16 provider's obligations under s. 196.374.

17 **SECTION 222.** 196.378 (4m) (b) of the statutes is amended to read:

18 196.378 **(4m)** (b) An electric utility may, with commission approval, administer  
19 or fund a program that increases the electric utility's renewable energy percentage  
20 or in-state percentage beyond that required under sub. (2) ~~(a) 2. the renewable~~  
21 portfolio standard. The commission may not order an electric utility to administer  
22 or fund a program under this paragraph.

23 **SECTION 223.** 196.378 (5) (intro.) of the statutes is amended to read:

24 196.378 **(5)** PENALTY. (intro.) Any person who violates sub. (2) or ~~any renewable~~  
25 ~~energy supplier who~~ provides an electric provider with ~~a~~ false or misleading

1     ~~certification~~ information regarding the sources or amounts of renewable energy  
2     supplied at wholesale to the electric provider shall forfeit not less than \$5,000 nor  
3     more than \$500,000. Forfeitures under this subsection shall be enforced by action  
4     on behalf of the state by the attorney general. A court imposing a forfeiture under  
5     this subsection shall consider all of the following in determining the amount of the  
6     forfeiture:

7             **SECTION 224.** 196.378 (5) (a) of the statutes is amended to read:

8             196.378 (5) (a) The appropriateness of the forfeiture to the person's or  
9     ~~wholesale-supplier's~~ volume of business.

10            **SECTION 225.** 196.378 (6) of the statutes is created to read:

11            196.378 (6) COORDINATION WITH FEDERAL LAW. The commission shall minimize  
12     reporting and other compliance requirements on electric providers to the maximum  
13     extent allowed under this section for the purpose of coordination with any similar  
14     requirements under federal law. If the commission determines that statutory  
15     changes to this section are necessary to comply with this subsection, the commission  
16     shall submit a report recommending the statutory changes to the legislature in the  
17     manner described under s. 13.172 (3).

18            **SECTION 226.** 196.49 (1) of the statutes is renumbered 196.49 (1r).

19            **SECTION 227.** 196.49 (1g) of the statutes is created to read:

20            196.49 (1g) In this section:

21            (a) "Nuclear power plant" means a nuclear power plant, as defined in s. 196.491  
22     (1) (j), for which the commission has issued a certificate of public convenience and  
23     necessity under s. 196.491 (3) on or after the date specified in the notice published  
24     under s. 196.493 (3) (b).

1 (b) “Nuclear power plant owner or operator” means a person, other than a  
2 public utility, that owns or operates a nuclear power plant.

3 **SECTION 228.** 196.49 (2) of the statutes is amended to read:

4 196.49 (2) No public utility may begin the construction, installation, or  
5 operation of any new plant, equipment, property, or facility, nor the construction or  
6 installation of any extension, improvement, or addition to its existing plant,  
7 equipment, property, apparatus, or facilities, and no nuclear power plant owner or  
8 operator may begin the construction or installation of any extension, improvement,  
9 or addition to a nuclear power plant or equipment, property, apparatus, or facilities  
10 for a nuclear power plant, unless the public utility or nuclear power plant owner or  
11 operator has complied with any applicable rule or order of the commission. If a  
12 cooperative association has been incorporated under ch. 185 for the production,  
13 transmission, delivery or furnishing of light or power and has filed with the  
14 commission a map of the territory to be served by the association and a statement  
15 showing that a majority of the prospective consumers in the area are included in the  
16 project, no public utility may begin any such construction, installation or operation  
17 within the territory until after the expiration of 6 months from the date of filing the  
18 map and notice. If the cooperative association has entered into a loan agreement  
19 with any federal agency for the financing of its proposed system and has given  
20 written notice of the agreement to the commission, no public utility may begin any  
21 construction, installation or operation within the territory until 12 months after the  
22 date of the loan agreement.

23 **SECTION 229.** 196.49 (3) (a) of the statutes is amended to read:

24 196.49 (3) (a) In this subsection, “project” means construction of any new plant,  
25 equipment, property, or facility, or extension, improvement, or addition to its existing

1     plant, equipment, property, apparatus, or facilities, and “project” includes  
2     construction by a nuclear power plant owner or operator of any extension,  
3     improvement, or addition to a nuclear power plant or to equipment, property,  
4     apparatus, or facilities for a nuclear power plant. The commission may require by  
5     rule or special order that a public utility or nuclear power plant owner or operator  
6     submit, periodically or at such times as the commission specifies and in such detail  
7     as the commission requires, plans, specifications, and estimated costs of any  
8     proposed project which the commission finds will materially affect the public  
9     interest.

10       **SECTION 230.** 196.49 (3) (cm) of the statutes is created to read:

11       196.49 **(3)** (cm) The commission may attach to the issuance of a certificate  
12     under this section for a project by a nuclear power plant owner or operator such terms  
13     and conditions that the commission determines are in the public interest. Any term  
14     or condition so attached shall apply to any successor in interest of the nuclear power  
15     plant owner or operator to whom a certificate is issued.

16       **SECTION 231.** 196.49 (4) of the statutes is amended to read:

17       196.49 **(4)** The commission may not issue a certificate under sub. (1) (1r), (2),  
18     or (3) for the construction of electric generating equipment and associated facilities  
19     unless the commission determines that brownfields, as defined in s. 560.13 (1) (a),  
20     are used to the extent practicable.

21       **SECTION 232.** 196.49 (5m) of the statutes is created to read:

22       196.49 **(5m)** The commission shall take final action on an application for a  
23     certificate under this section for a proposed renewable facility, as defined in s.  
24     196.378 (1r) (g), within 270 days after issuing a notice to open a docket on the  
25     application. If the commission fails to take final action within the 270–day period,

1 the commission is considered to have issued a certificate with respect to the  
2 application, unless the commission, within the 270–day period, extends the 270–day  
3 period. If the commission is required to prepare an environmental impact statement  
4 for the proposed facility, the commission may extend the 270–day period for no more  
5 than an additional 90 days, except that, if another state is required to approve the  
6 proposed facility, the commission may extend the 270–day period for no more than  
7 an additional 90 days after the other state takes final action on the proposal. If the  
8 commission fails to take final action within the extended period, the commission is  
9 considered to have issued a certificate with respect to the application.

10 **SECTION 233.** 196.49 (6) of the statutes is amended to read:

11 196.49 (6) If the commission finds that any public utility or nuclear power plant  
12 owner or operator has taken or is about to take an action which violates or disregards  
13 a rule or special order under this section, the commission, in its own name either  
14 before or after investigation or public hearing and either before or after issuing any  
15 additional orders or directions it deems proper, may bring an action in the circuit  
16 court of Dane County to enjoin the action. If necessary to preserve the existing state  
17 of affairs, the court may issue a temporary injunction pending a hearing upon the  
18 merits. An appeal from an order or judgment of the circuit court may be taken to the  
19 court of appeals.

20 **SECTION 234.** 196.491 (1) (g) of the statutes is renumbered 196.491 (1) (g)  
21 (intro.) and amended to read:

22 196.491 (1) (g) (intro.) “Large electric generating facility” means electric any  
23 of the following:

24 1. Electric generating equipment and associated facilities designed for nominal  
25 operation at a capacity of 100 megawatts or more.



1           **SECTION 235.** 196.491 (1) (g) 2. of the statutes is created to read:

2           196.491 (1) (g) 2. A nuclear power plant. This subdivision takes effect on the  
3           date specified in the notice published under s. 196.493 (3) (b).

4           **SECTION 236.** 196.491 (1) (i) of the statutes is created to read:

5           196.491 (1) (i) 1. “Nonutility nuclear power plant” means, except as provided  
6           in subd. 2., a nuclear power plant that does not provide service to any retail customer  
7           and that is owned and operated by any of the following:

8           a. Subject to the approval of the commission under sub. (3m) (a), an affiliated  
9           interest of a public utility.

10          b. A person that is not a public utility.

11          2. “Nonutility nuclear power plant” does not include a nuclear power plant or  
12          an improvement to a nuclear power plant that is subject to a leased generation  
13          contract, as defined in s. 196.52 (9) (a) 3.

14          3. This paragraph takes effect on the date specified in the notice published  
15          under s. 196.493 (3) (b).

16          **SECTION 237.** 196.491 (1) (j) of the statutes is created to read:

17          196.491 (1) (j) “Nuclear power plant” means nuclear-fired electric generating  
18          equipment and facilities designed for nominal operation at any capacity. This  
19          paragraph takes effect on the date specified in the notice published under s. 196.493  
20          (3) (b).

21          **SECTION 238.** 196.491 (1) (w) 2. of the statutes is renumbered 196.491 (1) (w)

22          2. (intro.) and amended to read:

23          196.491 (1) (w) 2. (intro.) “Wholesale merchant plant” does not include an any  
24          of the following:

1        a. An electric generating facility or an improvement to an electric generating  
2        facility that is subject to a leased generation contract, as defined in s. 196.52 (9) (a)  
3        3.

4        **SECTION 239.** 196.491 (1) (w) 2. b. of the statutes is created to read:

5        196.491 **(1)** (w) 2. b. A nonutility nuclear power plant. This subd. 2. b. takes  
6        effect on the date specified in the notice published under s. 196.493 (3) (b).

7        **SECTION 240.** 196.491 (3) (d) (intro.) of the statutes is amended to read:

8        196.491 **(3)** (d) (intro.) Except as provided under ~~par.~~ pars. (e) and (em) and s.  
9        196.493, the commission shall approve an application filed under par. (a) 1. for a  
10       certificate of public convenience and necessity only if the commission determines all  
11       of the following:

12       **SECTION 241.** 196.491 (3) (d) 2. of the statutes is amended to read:

13       196.491 **(3)** (d) 2. The proposed facility satisfies the reasonable needs of the  
14       public for an adequate supply of electric energy. This subdivision does not apply to  
15       a wholesale merchant plant and, for determinations made on or after the date  
16       specified in the notice published under s. 196.493 (3) (b), this subdivision does not  
17       apply to a nuclear power plant.

18       **SECTION 242.** 196.491 (3) (d) 3. of the statutes is amended to read:

19       196.491 **(3)** (d) 3. The design and location or route is in the public interest  
20       considering alternative sources of supply, alternative locations or routes, individual  
21       hardships, engineering, economic, safety, reliability and environmental factors,  
22       except that the commission may not consider alternative sources of supply or  
23       engineering or economic factors if the application is for a wholesale merchant plant  
24       and the commission may, but is not required to, consider alternative locations if the  
25       application is for a renewable facility, as defined in s. 196.378 (1r) (g). In its

1 consideration of environmental factors, the commission may not determine that the  
2 design and location or route is not in the public interest because of the impact of air  
3 pollution if the proposed facility will meet the requirements of ch. 285.

4 **SECTION 243.** 196.491 (3) (em) of the statutes is created to read:

5 196.491 (3) (em) For an application under par. (a) 1. regarding a nuclear power  
6 plant, the commission may issue the certificate of public convenience and necessity  
7 subject to any conditions that the commission determines are in the public interest.  
8 Any conditions imposed by the commission under this paragraph shall apply to any  
9 successor in interest of the applicant. This paragraph first applies to certificates of  
10 public convenience and necessity issued by the commission on or after the date  
11 specified in the notice published under s. 196.493 (3) (b).

12 **SECTION 244.** 196.491 (3) (g) of the statutes is amended to read:

13 196.491 (3) (g) The commission shall take final action on an application filed  
14 under par. (a) 1. within 180 days after the application is determined or considered  
15 to be complete under par. (a) 2. If the commission fails to take final action within the  
16 180-day period, the commission is considered to have issued a certificate of public  
17 convenience and necessity with respect to the application, unless the commission,  
18 within the 180-day period, petitions the circuit court for Dane County for an  
19 extension of time for taking final action on the application and the court grants an  
20 extension. Upon a showing of good cause, the court may extend the 180-day period  
21 for no more than an additional 180 days, except that, beginning on the date specified  
22 in the notice published under s. 196.493 (3) (b), the court may extend the 180-day  
23 period for an additional 360 days if the application is for a nuclear power plant. If  
24 the commission fails to take final action within the extended period, the commission

1 is considered to have issued a certificate of public convenience and necessity with  
2 respect to the application.

3 **SECTION 245.** 196.491 (3m) (title) of the statutes is amended to read:

4 196.491 **(3m)** (title) WHOLESALE MERCHANT AND NONUTILITY NUCLEAR POWER  
5 PLANTS.

6 **SECTION 246.** 196.491 (3m) (a) (intro.) of the statutes is amended to read:

7 196.491 **(3m)** (a) *Commission approval required.* (intro.) Except as provided  
8 in par. (e), an affiliated interest of a public utility may not own, control or operate a  
9 wholesale merchant or nonutility nuclear power plant without the approval of the  
10 commission. The commission shall grant its approval only if each of the following is  
11 satisfied:

12 **SECTION 247.** 196.491 (3m) (b) 1. am. of the statutes is amended to read:

13 196.491 **(3m)** (b) 1. am. Establish screening tests and safe harbors for proposed  
14 wholesale merchant and nonutility nuclear power plant projects, including projects  
15 in which an affiliated interest is a passive investor and over which the affiliated  
16 interest is not able to exercise control or influence and projects in which an affiliated  
17 interest's ownership interest is less than 5%.

18 **SECTION 248.** 196.491 (3m) (b) 3. b. of the statutes is amended to read:

19 196.491 **(3m)** (b) 3. b. The extent of control that the affiliated interest proposes  
20 to exercise over the wholesale merchant or nonutility nuclear power plant.

21 **SECTION 249.** 196.491 (3m) (c) 1. a. of the statutes is amended to read:

22 196.491 **(3m)** (c) 1. a. "Electric sale" means a sale of electricity that is generated  
23 at a wholesale merchant or nonutility nuclear power plant that is owned, operated  
24 or controlled by an affiliated interest.

1           **SECTION 250.** 196.491 (3m) (d) of the statutes is renumbered 196.491 (3m) (d)  
2 (intro.) and amended to read:

3           196.491 **(3m)** (d) *Retail sales outside this state.* (intro.) The commission may  
4 not promulgate rules or issue orders that prohibit owners or operators of ~~wholesale~~  
5 ~~merchant plants~~ any of the following from providing electric service to retail  
6 customers in another state.;

7           **SECTION 251.** 196.491 (3m) (d) 1. of the statutes is created to read:

8           196.491 **(3m)** (d) 1. Wholesale merchant plants.

9           **SECTION 252.** 196.491 (3m) (d) 2. of the statutes is created to read:

10          196.491 **(3m)** (d) 2. Nuclear power plants for which the commission has issued  
11 a certificate of public convenience and necessity under sub. (3) before the date  
12 specified in the notice published under s. 196.493 (3) (b).

13          **SECTION 253.** 196.491 (5) of the statutes is renumbered 196.491 (5) (c).

14          **SECTION 254.** 196.491 (5) (am) of the statutes is created to read:

15          196.491 **(5)** (am) In this subsection, “nuclear power plant” means a nuclear  
16 power plant for which the commission has issued a certificate of public convenience  
17 and necessity under sub. (3) on or after the date specified in the notice published  
18 under s. 196.493 (3) (b).

19          **SECTION 255.** 196.491 (5) (c) 1. am. of the statutes is created to read:

20          196.491 **(5)** (c) 1. am. Nuclear power plants in this state that are not owned or  
21 operated by public utilities, or that provide service to persons that are not public  
22 utilities under contracts with terms of 5 years or more.

23          **SECTION 256.** 196.491 (5) (c) 2. bm. of the statutes is created to read:

1           196.491 (5) (c) 2. bm. Nuclear power plants in this state that are not owned or  
2           operated by public utilities, or that provide service to persons that are not public  
3           utilities under contracts with terms of 5 years or more.

4           **SECTION 257.** 196.493 (title) of the statutes is amended to read:

5           **196.493 (title) ~~Construction of nuclear~~ Nuclear power plants limited.**

6           **SECTION 258.** 196.493 (1) of the statutes is renumbered 196.493 (1r) (intro.) and  
7           amended to read:

8           196.493 (1r) ~~DEFINITION~~ DEFINITIONS. (intro.) In this section, “nuclear;  
9           (ar) Except as provided in par. (b), “nuclear power plant” means a nuclear-fired  
10          large electric generating facility as defined under s. 196.491 (1) (g). This paragraph  
11          does not apply beginning on the date specified in the notice published under sub. (3)  
12          (b).

13          **SECTION 259.** 196.493 (1g) of the statutes is created to read:

14          196.493 (1g) **LEGISLATIVE FINDINGS.** The legislature finds all of the following:

15          (a) The state retains its authority under the United States constitution to  
16          exercise its police power to protect public health, safety, and welfare.

17          (b) Determining the need for the construction of electric generating facilities  
18          and controlling land use, including the siting of new or expanded electric generating  
19          facilities, is primarily and traditionally a matter of state interest and under state  
20          control.

21          (c) The state has a particular and unique interest in determining the need for  
22          and siting of nuclear power plants, given the size, cost, and environmental and safety  
23          issues associated with these plants and the resulting economic impact on the state.

24          (d) As of the effective date of this paragraph .... [LRB inserts date], the federal  
25          government has failed to meet its obligation to implement a policy to provide for the

1 safe and effective disposal of spent nuclear fuel from nuclear power plants. This  
2 situation has and will continue to lead to the long-term storage of spent nuclear fuel  
3 at the sites of nuclear power plants resulting in increased risk of exposure to  
4 accidental releases of radioactive materials from the handling and storage of the  
5 spent nuclear fuel and increased expenses for local and state governments providing  
6 emergency response services to the nuclear power plants.

7 (e) While the recent safety record and security of the nuclear power industry  
8 is good and the likelihood of an accident or incident at a new or expanded nuclear  
9 power plant resulting in a major release of radioactive materials is low, if such an  
10 accident or incident were to occur, its effects could be catastrophic to the health and  
11 safety of the people of Wisconsin, the economic well-being of Wisconsin, and the  
12 natural resources of Wisconsin.

13 (f) To limit the risks associated with the long-term storage of spent nuclear fuel  
14 at the sites of nuclear power plants and with the operation of nuclear power plants,  
15 it is necessary that Wisconsin adopt policies that limit the number of new or  
16 expanded nuclear power plants constructed in the state.

17 (g) To distribute the risks associated with the long-term storage of spent  
18 nuclear fuel at the sites of nuclear power plants and with the operation of nuclear  
19 power plants, it is necessary that Wisconsin adopt policies that encourage the siting  
20 of nuclear power plants relatively close to the demand for the electricity produced by  
21 the plants.

22 (h) To offset the risks associated with the long-term storage of spent nuclear  
23 fuel at the sites of nuclear power plants and with the operation of nuclear power  
24 plants, it is necessary that Wisconsin adopt policies that ensure citizens of the state

1 will receive the maximum benefits from any new or expanded nuclear power plants  
2 constructed in the state.

3 (i) The most effective policy to achieve the objectives in pars. (f) to (h) is to  
4 require that the entire output from any new or expanded nuclear power plant  
5 constructed in the state will be needed to meet the expected requirements for  
6 electricity of electric utility ratepayers or members of electric cooperatives in the  
7 state.

8 **SECTION 260.** 196.493 (1r) (ag) of the statutes is created to read:

9 196.493 (1r) (ag) “Electric cooperative” means a cooperative association that  
10 is organized under ch. 185 for the purpose of providing electricity at retail or  
11 wholesale to its members only.

12 **SECTION 261.** 196.493 (1r) (b) of the statutes is created to read:

13 196.493 (1r) (b) “Nuclear power plant” has the meaning given in s. 196.491 (1)  
14 (j). This paragraph takes effect on the date specified in the notice published under  
15 sub. (3) (b).

16 **SECTION 262.** 196.493 (2) (intro.) of the statutes is renumbered 196.493 (2) (am)  
17 (intro.) and amended to read:

18 196.493 (2) (am) (intro.) The commission may not certify under s. 196.49 (3) (b)  
19 or 196.491 (3) any nuclear power plant unless the commission finds that all of the  
20 following:

21 **SECTION 263.** 196.493 (2) (a) of the statutes is renumbered 196.493 (2) (am) 1.  
22 and amended to read:

23 196.493 (2) (am) 1. A federally licensed facility, or a facility outside of the  
24 United States which the commission determines will satisfy the public welfare  
25 requirements of the people of this state, with adequate capacity to dispose of



1 high-level nuclear waste from all nuclear power plants operating in this state will  
2 be available, as necessary, for disposal of the waste; and. This subdivision does not  
3 apply to certifications made on or after the date specified in the notice published  
4 under sub. (3) (b).

5 **SECTION 264.** 196.493 (2) (am) 1m. of the statutes is created to read:

6 196.493 **(2)** (am) 1m. The plan for managing the nuclear waste from the  
7 proposed nuclear power plant is economic, reasonable, stringent, and will satisfy the  
8 public welfare requirements of the people of this state, given the safety, security, and  
9 other risks presented by the waste. This subdivision first applies to certifications  
10 made on the date specified in the notice published under sub. (3) (b).

11 **SECTION 265.** 196.493 (2) (am) 2. c. of the statutes is created to read:

12 196.493 **(2)** (am) 2. c. The benefits to the state and the environment resulting  
13 from reductions of air pollutant emissions from the proposed nuclear power plant  
14 compared to emissions from feasible alternatives. This subd. 2. c. first applies to  
15 certifications made on or after the date specified in the notice published under sub.  
16 (3) (b).

17 **SECTION 266.** 196.493 (2) (am) 3. of the statutes is created to read:

18 196.493 **(2)** (am) 3. For certifications made on or after the date specified in the  
19 notice published under sub. (3) (b), the proposed nuclear power plant will provide  
20 electricity to ratepayers or members of electric cooperatives in this state at a  
21 reasonable cost based upon all of the following:

22 a. The existence of a reliable and adequate nuclear fuel supply.

23 b. The costs for construction, operation, and decommissioning of nuclear power  
24 plants and for nuclear waste disposal.

1 c. Any other factor having an impact on the economics of nuclear power plants,  
2 as determined by the commission.

3 **SECTION 267.** 196.493 (2) (am) 4. of the statutes is created to read:

4 196.493 (2) (am) 4. For certifications made on or after the date specified in the  
5 notice published under sub. (3) (b), the proposed nuclear power plant satisfies the  
6 reasonable needs of the public for an adequate supply of electric energy.

7 **SECTION 268.** 196.493 (2) (b) (intro.) of the statutes is renumbered 196.493 (2)  
8 (am) 2. (intro.) and amended to read:

9 196.493 (2) (am) 2. (intro.) The Except as provided in par. (c), the proposed  
10 nuclear power plant, in comparison with feasible alternatives, is economically  
11 advantageous to ratepayers, based upon all of the following:

12 **SECTION 269.** 196.493 (2) (b) 1. of the statutes is renumbered 196.493 (2) (am)  
13 2. a. and amended to read:

14 196.493 (2) (am) 2. a. The existence of a reliable and adequate nuclear fuel  
15 supply;

16 **SECTION 270.** 196.493 (2) (b) 2. of the statutes is renumbered 196.493 (2) (am)  
17 2. b. and amended to read:

18 196.493 (2) (am) 2. b. The costs for construction, operation, and  
19 decommissioning of nuclear power plants and for nuclear waste disposal; and,

20 **SECTION 271.** 196.493 (2) (b) 3. of the statutes is renumbered 196.493 (2) (am)  
21 2. d.

22 **SECTION 272.** 196.493 (2) (c) of the statutes is created to read:

23 196.493 (2) (c) For certifications made on or after the date specified in the notice  
24 published under sub. (3) (b), the commission shall make the finding under par. (am)

1       2. based on economic advantages to ratepayers or members of electric cooperatives  
2       in this state.

3               **SECTION 273.** 196.493 (3) of the statutes is created to read:

4               196.493 **(3)** REGISTER PUBLICATION. (a) The commission shall determine all of  
5       the following:

6               1. The effective dates of all rules promulgated by the commission, and all orders  
7       issued by the commission, that are necessary to initially implement the changes to  
8       s. 196.378 by 2009 Wisconsin Act .... (this act), and other related statutory changes  
9       made by that act.

10              2. The effective dates of all rules promulgated by the commission, and all orders  
11       issued by the commission, that are necessary to initially implement the changes to  
12       s. 196.374 by 2009 Wisconsin Act .... (this act), and other related statutory changes  
13       made by that act.

14              (b) The commission shall publish a notice in the Wisconsin Administrative  
15       Register specifying the first date on which all of the rules and orders described in par.  
16       (a) are in effect.

17              **SECTION 274.** 196.493 (4) of the statutes is created to read:

18              196.493 **(4)** DECOMMISSIONING. The commission may by order specify the  
19       method for an owner or operator of a nuclear power plant to provide reasonable  
20       assurance that funds in an amount determined by the commission will be available  
21       to decommission the plant and to dispose of spent nuclear fuel from the plant, and  
22       require the owner or operator to provide such assurance. This subsection applies to  
23       a nuclear power plant for which the commission issues a certificate of public  
24       convenience and necessity under s. 196.491 (3) on or after the date specified in the  
25       notice published under sub. (3) (b).

**SECTION 275.** 196.494 (1) (a) of the statutes is amended to read:

196.494 (1) (a) “Electric utility” means a public utility, other than a municipal utility, ~~as defined in s. 196.377 (2) (a) 3.,~~ that provides retail electric service to customers in this state.

**SECTION 276.** 196.494 (1) (am) of the statutes is created to read:

196.494 (1) (am) “Municipal utility” means a public utility that is a municipality or that is wholly owned or operated by a city, village, or town.

**SECTION 277.** 196.52 (9) (g) of the statutes is amended to read:

196.52 (9) (g) Nothing in this subsection prohibits a cooperative association organized under ch. 185, a municipal utility, as defined in s. ~~196.377 (2) (a) 3.~~ 196.494 (1) (am), or a municipal electric company, as defined in s. 66.0825 (3) (d), from acquiring an interest in an electric generating facility that is constructed pursuant to a leased generation contract or from acquiring an interest in land on which such an electric generating facility is located.

**SECTION 278.** 196.65 (1) of the statutes is renumbered 196.65 (1r).

**SECTION 279.** 196.65 (1g) of the statutes is created to read:

196.65 (1g) In this section, “public utility” includes all of the following:

(a) The owner or operator of a nuclear power plant, as defined in s. 196.491 (1) (j), for which the commission has issued a certificate of public convenience and necessity under s. 196.491 (3) on or after the date specified in the notice published under s. 196.493 (3) (b).

(b) A prime supplier, as defined in s. 196.374 (1) (ig).

**SECTION 280.** 196.65 (2) of the statutes is amended to read:

196.65 (2) A penalty of not less than \$500 nor more than \$5,000 shall be recovered from the public utility for each offense under sub. ~~(4)~~ (1r) if the officer,

1 agent or employee of the public utility acted in obedience to the direction, instruction  
2 or request of the public utility or any general officer of the public utility.

3 **SECTION 281.** 196.66 (1) of the statutes is renumbered 196.66 (1r).

4 **SECTION 282.** 196.66 (1g) of the statutes is created to read:

5 196.66 **(1g)** DEFINITION. In this section, “public utility” includes all of the  
6 following:

7 (a) The owner or operator of a nuclear power plant, as defined in s. 196.491 (1)  
8 (j), for which the commission has issued a certificate of public convenience and  
9 necessity under s. 196.491 (3) on or after the date specified in the notice published  
10 under s. 196.493 (3) (b).

11 (b) A prime supplier, as defined in s. 196.374 (1) (ig).

12 **SECTION 283.** 196.66 (2) of the statutes is amended to read:

13 196.66 **(2)** EACH DAY SEPARATE OFFENSE. Every day during which any public  
14 utility or any officer, agent, as defined in sub. (3) (a), or employee of a public utility  
15 fails to comply with any order or direction of the commission or to perform any duty  
16 enjoined by this chapter or ch. 197 shall constitute a separate and distinct violation  
17 under sub. ~~(1)~~ (1r). If the order is suspended, stayed or enjoined, this penalty shall  
18 not accrue.

19 **SECTION 284.** 196.66 (4) (b) of the statutes is amended to read:

20 196.66 **(4)** (b) If a public utility fails to comply with any rule, order or direction  
21 of the commission after actual receipt by the public utility of written notice from the  
22 commission specifying the failure, the maximum forfeiture under sub. ~~(1)~~ (1r) shall  
23 be \$15,000.

24 **SECTION 285.** 196.795 (6m) (a) 4m. of the statutes is created to read:

1           196.795 **(6m)** (a) 4m. “Nonutility nuclear power plant” means a nonutility  
2   nuclear power plant, as defined in s. 196.491 (1) (i), that is located in the reliability  
3   council area and that is owned, operated, or controlled by an affiliated interest of a  
4   public utility. This subdivision takes effect on the date specified in the notice  
5   published under s. 196.493 (3) (b).

6           **SECTION 286.** 196.795 (6m) (cm) of the statutes is created to read:

7           196.795 **(6m)** (cm) *Nonutility nuclear power plants.* The assets of a nonutility  
8   nuclear power plant shall not be included in the sum of the assets of a public utility  
9   affiliate under par. (b) 1. a., b., or c. and shall not be included in a nonutility affiliate’s  
10   total assets under par. (b) 2. a. if the requirements specified in s. 196.491 (3m) (a) 1.  
11   and 2. are satisfied. This paragraph takes effect on the date specified in the notice  
12   published under s. 196.493 (3) (b).

13          **SECTION 287.** 196.795 (11) (b) of the statutes is amended to read:

14          196.795 **(11)** (b) This section shall be deemed to legalize and confirm the  
15   formation, prior to November 28, 1985, of any holding company, which is not itself  
16   a public utility, and shall be deemed to legalize and confirm the operations and  
17   issuances of securities of the holding company, except that nothing in this section  
18   shall be deemed to prevent the commission from imposing reasonable terms,  
19   limitations or conditions on any holding company which are consistent with the  
20   requirements of sub. (6m) (c) ~~or~~ to (d) or which are consistent with and necessary to  
21   satisfy the requirements of sub. (5) (b) to (o) and (q) to (s) or which relate to future  
22   investments by the holding company unless the holding company owns, operates,  
23   manages or controls a telecommunications utility and does not also own, operate,  
24   manage or control a public utility which is not a telecommunications utility.

25          **SECTION 288.** 196.80 (1r) of the statutes is created to read:

1           **196.80 (1r)** (a) In this subsection, “nuclear power plant” means a nuclear power  
2           plant, as defined in s. 196.491 (1) (j), for which the commission has issued a certificate  
3           of public convenience and necessity under s. 196.491 (3) on or after the date specified  
4           in the notice published under s. 196.493 (3) (b).

5           (b) With the consent and approval of the commission but not otherwise an  
6           owner or operator of a nuclear power plant may sell, acquire, lease, or rent any  
7           nuclear power plant or property constituting an operating unit or system of a nuclear  
8           power plant.

9           **SECTION 289.** 196.85 (1m) (a) of the statutes is amended to read:

10           **196.85 (1m)** (a) For the purpose of direct assessment under sub. (1) of expenses  
11           incurred by the commission in connection with its activities under s. 196.491, the  
12           term “public utility” includes electric utilities, as defined in s. 196.491 (1) (d).  
13           Subsection (1) (b) does not apply to assessments for the commission’s activities under  
14           s. 196.491 related to the construction of wholesale merchant plants, as defined in s.  
15           196.491 (1) (w) or, beginning on the date specified in the notice published under s.  
16           196.493 (3) (b), related to the construction of nonutility nuclear power plants, as  
17           defined in s. 196.491 (1) (i).

18           **SECTION 290.** 196.85 (1m) (e) of the statutes is created to read:

19           **196.85 (1m)** (e) For the purpose of direct assessment under sub. (1) of expenses  
20           incurred by the commission in connection with its activities under s. 196.374, the  
21           term “public utility” includes retail electric cooperatives, as defined in s. 196.374 (1)  
22           (L), and prime suppliers, as defined in s. 196.374 (1) (ig).

23           **SECTION 291.** 285.60 (11) of the statutes is created to read:

24           **285.60 (11) REDUCING GREENHOUSE GAS EMISSIONS.** As part of its continual  
25           assessment under sub. (10) in 2010 and 2011, the department shall develop and

1 implement measures to lessen permit obligations under this section and ss. 281.61  
2 to 281.65 for the construction, reconstruction, replacement, or modification of a  
3 stationary source if all of the following apply:

4 (a) The owner or operator of the stationary source is not required to obtain a  
5 major source construction permit for the proposed project.

6 (b) The construction, reconstruction, replacement, or modification would  
7 significantly reduce emissions of greenhouse gasses, as defined in s. 299.03 (1) (d).

8 (c) The proposed project satisfies other requirements specified by the  
9 department by rule.

10 **SECTION 292.** 292.75 (5) of the statutes is renumbered 292.75 (5) (a).

11 **SECTION 293.** 292.75 (5) (a) 2m. of the statutes is created to read:

12 292.75 (5) (a) 2m. Whether the project is a qualifying project under sub. (5m).

13 **SECTION 294.** 292.75 (5) (b) of the statutes is created to read:

14 292.75 (5) (b) The department may give greater weight to the criterion under  
15 par. (a) 2m. than to the other criteria under par. (a) in determining whether to award  
16 a grant.

17 **SECTION 295.** 292.75 (5m) of the statutes is created to read:

18 292.75 (5m) QUALIFYING PROJECTS. A proposed project is a qualifying project for  
19 the purposes of subs. (5) (a) 2m. and (7) (b) if the project will result in a reduction of  
20 travel, energy use, or emissions of greenhouse gases, as defined in s. 299.03 (1) (d),  
21 or if one of the following applies:

22 (a) The eligible site or facility is located in an area that is designated for  
23 traditional neighborhood development, as defined in s. 66.1027 (1) (c), in a  
24 comprehensive plan adopted under s. 66.1001 and at least one of the following  
25 applies:



1           1. The area is surrounded by or is adjacent to existing development.

2           2. The area is within a sewer service territory in the sewer service area  
3 provisions of an areawide water quality management plan under s. 283.83 approved  
4 by the department.

5           3. The area consists primarily of blighted properties.

6           4. The area meets other criteria, specified by the department by rule, designed  
7 to ensure that the project reduces greenhouse gas emissions.

8           (b) The city, village, town, or county in which the eligible site or facility is  
9 located has adopted the design standards under s. 101.027 (4) and the eligible site  
10 or facility is in an area that is subject to the design standards.

11           (c) All of the following apply:

12           1. The eligible site or facility is located in an area that is subject to either a  
13 charter under s. 299.83 (7e) issued to an association of entities that includes the city,  
14 village, town, or county in which the area is located or a participation contract under  
15 s. 299.83 (6) entered into by the city, village, town, or county in which the area is  
16 located.

17           2. The department determines, in consultation with the department of  
18 commerce, the department of administration, the public service commission, and the  
19 office of energy independence, that implementation of the charter or the  
20 participation contract is likely to result in significant reductions in emissions of  
21 greenhouse gases, as defined in s. 299.03 (1) (d), or in energy use by public or private  
22 entities within the city, village, town, or county.

23           (d) The eligible site or facility is located in a city, village, town, or county that  
24 participates in tier I under s. 299.83 (3), the area in which the eligible site or facility  
25 is located is affected by the participation in tier I, and the department of natural

resources determines, in consultation with the department of commerce, the department of administration, the public service commission, and the office of energy independence, that the participation in tier I is likely to result in significant reductions in emissions of greenhouse gases, as defined in s. 299.03 (1) (d), or in energy use by public or private entities within the city, village, town, or county.

**SECTION 296.** 292.75 (7) of the statutes is renumbered 292.75 (7) (a) and amended to read:

292.75 (7) (a) The Except as provided under par. (b), the department may not distribute a grant unless the applicant contributes matching funds equal to ~~20%~~ 20 percent of the grant. Matching funds may be in the form of cash or in-kind contribution or both.

**SECTION 297.** 292.75 (7) (b) of the statutes is created to read:

292.75 (7) (b) The department may promulgate a rule that specifies a minimum contribution of matching funds by an applicant that is less than 20 percent of a grant for a project if the project is a qualifying project under sub. (5m).

**SECTION 298.** 299.03 of the statutes is created to read:

**299.03 Greenhouse gas emission goals. (1) DEFINITIONS.** In this section:

(a) “Annual net greenhouse gas emissions” means the amount of greenhouse gasses, measured as tons of carbon dioxide equivalent, emitted to the atmosphere by all sources and activities in this state in a year minus the amount of greenhouse gasses, measured as tons of carbon dioxide equivalent, removed from the atmosphere by all sources and activities, including by carbon sequestration, in this state in the year.

(b) “Carbon dioxide equivalent” means the amount of carbon dioxide that has the equivalent radiative effect as a specified amount of a greenhouse gas, calculated

1 by multiplying the specified amount of the greenhouse gas by its global warming  
2 potential.

3 (bm) “Carbon sequestration” means the long-term storage of carbon in water  
4 bodies, soil, vegetation, or geologic formations.

5 (c) “Global warming potential” means the relative radiative effect of a  
6 greenhouse gas compared to the radiative effect of carbon dioxide.

7 (d) “Greenhouse gas” means carbon dioxide, methane, nitrous oxide, sulphur  
8 hexafluoride, nitrogen trifluoride, a hydrofluorocarbon, a perfluorocarbon, or any  
9 other gas identified by the department under sub. (4).

10 (dm) “Radiative effect” means the capability of a gas in the atmosphere to  
11 absorb infrared radiation that is emitted from the earth’s surface.

12 (e) “Renewable energy generation” means the generation of energy using a  
13 renewable resource, as defined in s. 196.374 (1) (j).

14 (f) “Zero net energy building” means one of the following:

15 1. A building that annually, based on a 3-year average, uses no more energy  
16 than is provided by on-site renewable energy generation.

17 2. One of 2 or more buildings that have an integrated system of energy supply  
18 and use and that together annually, based on a 3-year average, use no more energy  
19 than is provided by renewable energy generation that is part of the integrated  
20 system.

21 **(2) GREENHOUSE GAS EMISSION REDUCTION GOALS.** (a) It is the goal of this state  
22 that annual net greenhouse gas emissions in 2014 are no greater than annual net  
23 greenhouse gas emissions in 2005.

24 (b) It is the goal of this state that annual net greenhouse gas emissions in 2022  
25 are at least 22 percent less than annual net greenhouse gas emissions in 2005.

1 (c) It is the goal of this state that annual net greenhouse gas emissions in 2050  
2 and each year thereafter are at least 75 percent less than annual net greenhouse gas  
3 emissions in 2005.

4 (d) It is the goal of this state to make continuous progress in reducing net  
5 greenhouse gas emissions in order to achieve the goals in pars. (a), (b), and (c).

6 **(3)** NEW BUILDING ENERGY USE GOAL. It is the goal of this state that, by 2030, all  
7 newly constructed residential and commercial buildings are zero net energy  
8 buildings.

9 **(3m)** STATEWIDE ENERGY CONSERVATION GOALS. (a) *Electricity*. It is the goal of  
10 this state to reduce the statewide consumption of electricity in each year by an  
11 amount not less than the product of the public service commission's projection of the  
12 statewide consumption of electricity for the year and the following percentages:

13 1. In 2011, 1 percent.

14 2. In 2012, 1.25 percent.

15 3. In 2013, 1.5 percent.

16 4. In 2014, 1.75 percent.

17 5. In 2015 and each year thereafter, 2 percent.

18 (am) *Small scale renewable facilities*. It is the goal of this state that by 2025  
19 at least 1 percent of the renewable energy, as defined in s. 196.378 (1r) (fg), produced  
20 in this state annually is derived from renewable facilities, as defined in s. 196.378  
21 (1r) (g), that are designed for nominal operation at a capacity of 10 megawatts or less.

22 (b) *Liquified petroleum gas, heating oil, and natural gas*. It is the goal of this  
23 state to reduce the statewide consumption of liquified petroleum gas, heating oil, and  
24 natural gas in each year by an amount not less than the product of the public service

commission's projection of statewide consumption of liquified petroleum gas, heating oil, and natural gas for the year and the following percentages:

1. In 2011, 0.5 percent.

2. In 2012, 0.75 percent.

3. In 2013 and each year thereafter, 1 percent.

**(4) RULE MAKING.** The department may promulgate rules identifying additional gasses as greenhouse gasses.

**(5) INFORMATION AND ANALYSES.** (a) *Emission and sequestration information.* The department shall periodically collect or estimate information concerning all of the following:

1. Amounts of greenhouse gas emissions from sectors of this state's economy, including from stationary and mobile sources of greenhouse gas emissions, and from natural systems in this state associated with various types of land uses.

2. Amounts of carbon sequestered by natural systems in this state associated with various types of land uses.

(b) *Comprehensive accounting system.* 1. As part of its activities under par. (a), the department shall develop and maintain a comprehensive accounting system to estimate the net annual emissions of greenhouse gases from natural systems in this state in 2005 and changes in these emissions in subsequent years due to significant changes in land cover or in the management of land. The department shall ensure that the system identifies greenhouse gas emissions for at least agricultural, forestry, grassland, wetland, urban, and suburban land uses.

2. The department shall design and operate the system under subd. 1. to produce statistically valid data, for use in each of the assessments under sub. (6), that can be used to estimate the emissions and changes in emissions specified in subd. 1.

1 and to provide information for the smallest land areas consistent with economic  
2 practicality, but in no case larger than a county.

3 3. The department shall include a land cover database in the system under  
4 subd. 1.

5 4. The department may design and operate the system under subd. 1. to serve  
6 other purposes, including use in climate change programs related to public  
7 education, the management and supply of bioenergy feedstocks, and sustainable  
8 forest management.

9 (c) *Inventories and analyses.* The department shall periodically prepare  
10 inventories and analyses of the information collected or estimated under par. (a) that  
11 include inventories of greenhouse gas emissions from man-made sources in 2005  
12 and of net greenhouse gas emissions from natural systems in 2005 and trends in  
13 greenhouse gas emissions from man-made sources and of net greenhouse gas  
14 emissions from natural systems adjusted for all of the following:

15 1. Meteorological, economic, and other variable factors that cause significant  
16 deviations from normal trends.

17 2. Changes in energy use, fuel composition, and other factors likely to  
18 permanently affect future emissions, or sequestration, of greenhouse gases.

19 (d) *Emission reporting requirements.* 1. The department shall promulgate a  
20 rule to revise the air contaminant emissions reporting requirements under ss. 285.17  
21 and 299.15 (1) and (2) in effect on the effective date of this subdivision .... [LRB  
22 inserts date], to set the reporting level for carbon dioxide at 10,000 tons per year and  
23 to require a person owning or operating a stationary source who is required to report  
24 carbon dioxide emissions to also report methane and nitrous oxide emissions from  
25 the combustion of a solid, liquid, or gaseous fuel.

1           2. After it complies with subd. 1., the department may promulgate a rule that  
2 modifies the reporting requirements described in subd. 1.

3           **(5m)** EMISSIONS FROM TRANSPORTATION USE. (a) In this subsection:

4           1. “Metropolitan planning organization” has the meaning given in 23 USC 134  
5 (b) (2).

6           2. “Transportation use” does not include the construction or maintenance of  
7 vehicles or of infrastructure related to any mode of transportation.

8           (b) The department of natural resources and the department of transportation  
9 jointly, with the assistance of metropolitan planning organizations, shall do all of the  
10 following:

11           1. Periodically estimate annual amounts of greenhouse gas emissions  
12 generated by transportation use in this state, by mode of transportation, and predict  
13 amounts of greenhouse gas emissions that will be generated by transportation use  
14 in this state, by mode of transportation, 5, 10, and 15 years after the year for which  
15 the estimate is made.

16           2. Base the estimate and predictions under subd. 1. on transportation plans of  
17 this state and metropolitan planning organizations, state and federal laws, trends  
18 in the use of each mode of transportation, other factors used in emission modeling  
19 conducted for the purpose of preparing state implementation plans under 42 USC  
20 7410, and other relevant factors identified by the departments.

21           3. Select the most appropriate method for making the estimate and predictions  
22 under subd. 1.

23           4. No later than July 1, 2011, and every 2 years thereafter, submit a report on  
24 the estimates and predictions under subd. 1. to the climate change coordinating  
25 council.

1 (c) The department of transportation shall make available on its Internet site  
2 the reports under par. (b) 4. or a link to those reports on the Internet site under sub.  
3 (10).

4 **(6) QUADRENNIAL ASSESSMENT.** No later than March 1, 2014, and every 4 years  
5 thereafter, the department shall prepare an assessment of the changes in net  
6 greenhouse gas emissions in this state and of public and private climate change goals  
7 and programs, based on the inventories and analyses under sub. (5) (c) and other  
8 relevant information. In the assessment, the department shall address at least all  
9 of the following:

10 (a) Whether this state is achieving the applicable greenhouse gas emission  
11 reduction goal under sub. (2) (a), (b), or (c).

12 (b) Whether this state is making continuous progress in reducing net  
13 greenhouse gas emissions in accordance with the goal in sub. (2) (d).

14 (c) If this state is not achieving the applicable greenhouse gas emission  
15 reduction goal or is not likely to achieve its future greenhouse gas emission reduction  
16 goals, proposals for alternative programs for meeting the goals.

17 (d) Whether any state or local governmental climate change goal or  
18 nonregulatory program should be modified to make the program more effective at  
19 reducing net greenhouse gas emissions or mitigating the effects of climate change or  
20 less costly to implement.

21 (e) Whether any state or local governmental climate change goal or  
22 nonregulatory program should be modified or created to respond to a new federal  
23 initiative relating to climate change or a new scientific understanding of climate  
24 change processes or effects.



1 (f) Estimates of the likely reductions in net greenhouse gas emissions and of  
2 the effects on energy use in this state and on the state's economy associated with each  
3 new program or program change analyzed under pars. (c) to (e).

4 **(7) CONSULTATION AND ASSISTANCE.** (a) The department shall consult with the  
5 climate change coordinating council in fulfilling its duties under subs. (4), (5), and  
6 (6).

7 (b) Other state agencies shall assist the department to the fullest extent  
8 possible in fulfilling its duties under subs. (4), (5), (6), and (10).

9 **(8) PUBLIC REVIEW.** The department shall provide an opportunity for public  
10 review and comment on all of the following:

11 (a) The inventories under sub. (5) (c).

12 (b) The methodologies used under sub. (6) to estimate the effects of policies and  
13 other factors on changes in net emissions of greenhouse gases.

14 (c) The assessments under sub. (6).

15 **(9) POLICY REVIEW AND REPORT.** (a) No later than June 1, 2014, and every 4 years  
16 thereafter, the climate change coordinating council shall submit a report to the  
17 legislature, under s. 13.172 (2), and to the governor on all of the following:

18 1. Whether this state is achieving the applicable greenhouse gas emission  
19 reduction goal in sub. (2) (a), (b), or (c), whether the state is making continuous  
20 progress in reducing net greenhouse gas emissions in accordance with sub. (2) (d),  
21 and whether this state is likely to achieve its future greenhouse gas emission  
22 reduction goals in sub. (2) and, if not, recommended changes in programs needed to  
23 achieve the goals.

24 2. Other recommended changes in state and local governmental climate change  
25 goals and programs.

1           3. The likely reductions in net greenhouse gas emissions and effects on energy  
2 use in this state and on the state's economy associated with each program change  
3 recommended under subs. 1. and 2.

4           4. Whether any climate change goals should be modified and whether any new  
5 climate change goals should be created.

6           (b) The climate change coordinating council shall base its report under par. (a)  
7 on the assessment under sub. (6) and other information received by the council and  
8 shall include in the report a summary of the assessments and reports related to  
9 climate change that state agencies are required to submit to the department or the  
10 council.

11           **(10)** INTERNET SITE. (a) The department, in consultation with the climate  
12 change coordinating council, and the administrator of the statewide energy  
13 efficiency and renewable resource programs under s. 196.374 (2) (a) 1., and other  
14 appropriate public and private entities providing educational and training programs  
15 on climate change to the public shall establish and maintain an Internet site on  
16 climate change.

17           (b) The department shall make all of the following available on the Internet site  
18 under par. (a):

19           1. The information under sub. (5) (a).

20           2. The inventories and analyses under sub. (5) (c).

21           3. The assessments under sub. (6).

22           4. The reports under sub. (9).

23           5. The assessments and reports related to climate change that state agencies  
24 are required to submit to the department or the climate change coordinating council.

25           **SECTION 299.** 299.035 of the statutes is created to read:

1           **299.035 Climate change coordinating council. (1) DEFINITION.** In this  
2 section, “council” means the climate change coordinating council.

3           **(2) DUTIES.** (a) The council shall prepare reports under s. 299.03 (9).

4           (b) The council shall assist state agencies in improving and coordinating their  
5 programs relating to climate change.

6           (c) The council, in consultation with the administrator of the statewide energy  
7 efficiency and renewable resource programs under s. 196.374 (2) (a) 1., and other  
8 appropriate public and private entities providing educational and training programs  
9 on climate change to the public, shall promote and coordinate state educational and  
10 training programs related to climate change, including programs that provide  
11 information on all of the following:

12           1. State goals for the reduction of net greenhouse gas emissions and other  
13 related state goals for reducing the consumption of fossil fuels.

14           2. Assessments, under s. 299.03 (6) and (9), of changes in net greenhouse gas  
15 emissions in this state and of state climate change goals and programs.

16           3. Activities by state agencies to meet goals for the reductions of their  
17 greenhouse gas emissions and to meet their related goals for energy efficiency and  
18 the use of energy derived from renewable sources.

19           4. State, local, and federal governmental programs related to or affecting  
20 climate change.

21           5. Actions that persons can take to reduce the amount of their greenhouse gas  
22 emissions.

23           6. Other significant mitigation and adaptation strategies that address climate  
24 change.

25           7. The causes and effects of climate change.

1           (d) The council shall give priority under par. (a) to promoting and coordinating  
2 programs for students in kindergarten through 12th grade and to undergraduate  
3 and graduate students and their teachers.

4           **(3) SUBCOMMITTEES.** The council may create subcommittees to assist in its  
5 work. The council may appoint to its subcommittees members of the council,  
6 employees of the agencies with members on the council, employees of other state  
7 agencies, representatives of counties and municipalities, and others. The council  
8 shall consider the need for subcommittees on the subjects within the scope of its  
9 duties under sub. (2) and other subjects determined to be appropriate by the council.

10          **(4) SUPPORT.** The state agencies with membership on the council and its  
11 subcommittees shall provide adequate staff to conduct the functions of the council.

12          **SECTION 300.** 299.04 of the statutes is created to read:

13          **299.04 Report on greenhouse gas cap and trade program. (1)** In this  
14 section:

15           (a) “Cap and trade program” means a program that imposes limits on emissions  
16 of greenhouse gases from specified sources of emissions and that provides for the  
17 trading of allowances that may be used to satisfy those limits.

18           (b) “Greenhouse gas” has the meaning given in s. 299.03 (1) (d).

19          **(2)** The department shall submit a report to the appropriate standing  
20 committees of the legislature, under s. 13.172 (3), and to the governor if any of the  
21 following occurs:

22           (a) Enactment of federal legislation creating a federal cap and trade program.

23           (b) Adoption of a federal regulation creating a federal cap and trade program.

1 (c) Recommendation of a regional cap and trade program by governors of  
2 midwestern states, including the governor of this state, that would be applicable to  
3 any person in this state.

4 **(3)** The department shall include in the report under sub. (2) a description of  
5 the cap and trade program and recommendations on any legislation that would be  
6 necessary to implement the cap and trade program in this state. In preparing the  
7 report under sub. (2), the department shall consult with state agencies that would  
8 be affected by the cap and trade program.

9 **SECTION 301.** 299.045 of the statutes is created to read:

10 **299.045 Greenhouse gas emissions by state agencies. (1) DEFINITIONS.**

11 In this section:

12 (a) “Agency” means the department of administration, the department of  
13 agriculture, trade and consumer protection, the department of corrections, the  
14 department of health services, the department of natural resources, the department  
15 of public instruction, the department of transportation, the department of veterans  
16 affairs, and the Board of Regents of the University of Wisconsin System.

17 (b) “Biomass” has the meaning given in s. 196.374 (1) (am).

18 (c) “Global warming potential” has the meaning given in s. 299.03 (1) (c).

19 (d) “Greenhouse gas” has the meaning given in s. 299.03 (1) (d).

20 **(2) ANALYSIS.** No later than the first day of the 13th month beginning after the  
21 date on which the department of administration prescribes the initial guidelines and  
22 protocols under s. 16.954 (2), each agency shall prepare an analysis that estimates  
23 the amount of greenhouse gas emissions that are attributable to activities of the  
24 agency in calendar years 2005 and 2010.

25 **(3) DEVELOPMENT AND ACHIEVEMENT OF GOALS.** Each agency shall:

1           (a) Establish achievable goals for the reduction of greenhouse gas emissions  
2 identified in its analysis under sub. (2) which shall include a reduction by January  
3 1, 2020, to an annual amount that is 22 percent lower than the annual amount  
4 attributable to the agency in 2005.

5           (b) Develop a plan for achieving the goals established in par. (a) by means of  
6 specific actions to be taken and completed no later than January 1, 2020.

7           **(4) ELEMENTS OF PLAN.** In developing its plan under sub. (3) (b), each agency  
8 shall consider all cost-effective and technically feasible opportunities to reduce  
9 greenhouse gas emissions, including:

10           (a) Increasing the efficiency of energy use by the agency.

11           (b) Installing renewable energy systems in facilities used by the agency.

12           (c) Purchasing energy derived from renewable resources for use by the agency.

13           (d) Increasing the efficiency of boilers in existing facilities used by the agency.

14           (e) Converting boilers in existing facilities used by the agency to fuels that  
15 result in lower net greenhouse gas emissions, including biomass fuels.

16           (f) Reducing transportation-related emissions by the agency in all of the  
17 following ways:

18           1. Converting the agency's on-road and off-road vehicle fleet to vehicles that  
19 are more efficient, or that use renewable fuels, or both.

20           2. Encouraging teleconferencing in lieu of attending in-person meetings that  
21 require travel to meeting sites.

22           3. Encouraging employees of the agency to telecommute, carpool, bicycle, walk,  
23 or use public transit.

24           4. Reducing the idling of on-road and off-road motor vehicles operated by the  
25 agency.

1           5. Reducing the idling of on–road and off–road motor vehicles operated by any  
2           person who enters into a contract with an agency and who receives payments under  
3           that contract from moneys appropriated by this state with respect to services  
4           performed under the contract, whether or not within this state, during the period  
5           that the contract is in effect.

6           6. Converting the refrigerants used in on–road and off–road motor vehicles in  
7           the vehicle fleet maintained by the agency to refrigerants with low global warming  
8           potential.

9           7. Purchasing fuels for on–road and off–road motor vehicles used by the agency  
10          that are derived in whole or in part from renewable resources.

11          8. Any other appropriate means.

12          (g) Reducing the water and other materials used by the agency.

13          (h) Increasing the recycling of waste generated by the agency.

14          (i) Planting trees or deep–rooted, herbaceous, perennial plants on lands  
15          controlled by the agency, including highway rights–of–way and building grounds.

16          **(5) BIENNIAL REPORTS.** No later than March 1 of each odd–numbered year each  
17          agency shall report to the department of administration in the form specified by that  
18          department concerning its progress toward achieving or success in maintaining  
19          adherence to the goals established by the agency under sub. (3) (a).

20          **(6) IDLING REDUCTION ASSISTANCE.** The department shall assist agencies in  
21          identifying opportunities to reduce greenhouse gas emissions through development  
22          of idling reduction techniques for incorporation into agency plans under sub. (4) (f)  
23          4. and 5.

24          **SECTION 302.** 299.97 (1) of the statutes is amended to read:

1           299.97 (1) Any person who violates this chapter, except s. 299.15 (1), 299.47  
2           (2), 299.51 (4) (b), 299.53 (2) (a) or (3), 299.62 (2) ~~or~~ 299.64 (2), or 299.045, or any rule  
3           promulgated or any plan approval, license or special order issued under this chapter,  
4           except under those sections, shall forfeit not less than \$10 nor more than \$5,000, for  
5           each violation. Each day of continued violation is a separate offense. While the order  
6           is suspended, stayed or enjoined, this penalty does not accrue.

7           **SECTION 303.** 343.32 (2) (bs) of the statutes is created to read:

8           343.32 (2) (bs) The scale adopted by the secretary may not assess any demerit  
9           points for a violation of s. 346.947.

10          **SECTION 304.** 346.947 of the statutes is created to read:

11          **346.947 Idling of motor vehicles used for commercial purposes. (1)**

12          Except as provided in sub. (5), and subject to sub. (3), an operator of a motor vehicle  
13          designed primarily for on-highway operation, and the operator's employer, may not,  
14          while the vehicle is being used for commercial purposes, cause or permit the vehicle's  
15          primary propulsion engine to idle for more than 5 minutes in any 60 minute period.

16          **(2)** Except as provided in sub. (5), and subject to sub. (3), an operator of a motor  
17          vehicle designed primarily for off-highway operation may not, while the vehicle is  
18          being used for commercial purposes, cause or permit the vehicle's primary propulsion  
19          engine to idle for more than 5 consecutive minutes when the vehicle is not in use.

20          **(3) (a)** Except as provided in par. (c), an operator of a motor vehicle designed  
21          primarily for on-highway operation, and the operator's employer, may not, while the  
22          vehicle is being used for commercial purposes, cause or permit the vehicle's primary  
23          propulsion engine to idle within 100 feet of an occupied school, day care or child care  
24          center, hospital, or facility for housing the elderly, if the school, day care or child care  
25          center, hospital, or facility for housing the elderly is clearly marked as a school, day



1 care or child care center, hospital, or facility for housing the elderly by signage visible  
2 from the roadway.

3 (b) Except as provided in par. (c), an operator of a motor vehicle designed  
4 primarily for off-highway operation may not, while the vehicle is being used for  
5 commercial purposes at a construction site, cause or permit the vehicle's primary  
6 propulsion engine to idle within 100 feet of an occupied school, day care or child care  
7 center, hospital, or facility for housing the elderly, if the school, day care or child care  
8 center, hospital, or facility for housing the elderly is identified on the project plan  
9 documents for the construction site, as required under sub. (7).

10 (c) Paragraph (a) does not apply with respect to any of the motor vehicles or  
11 circumstances specified in sub. (5) (a) to (h), (j) to (o), (q), and (s). Paragraph (b) does  
12 not apply with respect to any of the motor vehicles or circumstances specified in sub.  
13 (5) (d) to (g), (j), (m), (p), (r), and (t).

14 (4) A person operating a location where a motor vehicle subject to sub. (1) that  
15 is used to transport property is loaded or unloaded may not require an operator of  
16 the vehicle to idle the vehicle's primary propulsion engine for a period longer than  
17 30 minutes by directing that the vehicle be kept running pending the loading or  
18 unloading of the vehicle at that location. This subsection does not apply if an  
19 exception under sub. (5) applies with respect to the vehicle.

20 (5) Subsections (1) and (2) do not apply to any of the following:

21 (a) The period when a motor vehicle remains motionless because of traffic, an  
22 official traffic control device, or the direction of a traffic officer.

23 (b) The period when a motor vehicle's defroster, heater, air conditioner, medical  
24 equipment, or emergency lighting is being operated on the motor vehicle to prevent  
25 a safety or health emergency and not as part of a rest period.

1 (c) An authorized emergency vehicle or military vehicle being used in the  
2 course of official business.

3 (d) The idling of a motor vehicle's primary propulsion engine for maintenance,  
4 servicing, repair, or diagnostic purposes if the idling is necessary to accomplish any  
5 of these purposes.

6 (e) The idling of a motor vehicle as part of a state or federal vehicle inspection  
7 to verify that all of the vehicle's equipment is in good working order if the idling is  
8 required as part of the inspection.

9 (f) The period when the idling of a motor vehicle's primary propulsion engine  
10 is necessary to power work-related mechanical or electrical operations, excluding  
11 operations related to propulsion, cabin comfort, or nonessential on-board equipment  
12 but including any of the following operations:

13 1. Mixing, dumping, or processing cargo.

14 2. Operating a lift, generator, crane, pump, drill, hoist, or other auxiliary  
15 mechanical equipment.

16 3. Heating or refrigeration to protect cargo or freight being transported by the  
17 motor vehicle.

18 4. Utility service restoration.

19 (g) The period when a motor bus used for transit purposes, or a motor vehicle  
20 designed primarily for off-highway operation, is engaged in a stop-and-go project  
21 element or is in immediate stand-by mode for purposes related to passenger loading  
22 or unloading, project or worker safety, or readiness for an upcoming phase of a  
23 specific project element.

24 (h) An armored vehicle for the period when a person remains inside the vehicle  
25 to guard the contents of the vehicle or the vehicle is being loaded or unloaded.

1           (i) The period when an occupied motor vehicle with a sleeper berth  
2 compartment idles for purposes of air conditioning or heating during a rest or sleep  
3 period.

4           (j) The period when a motor vehicle's idling is necessary for regeneration of  
5 exhaust emission control devices or to recharge batteries on a hybrid vehicle.

6           (k) A motor bus or school bus idling to maintain passenger comfort while  
7 passengers other than the operator are on board, if the motor bus or school bus does  
8 not exceed 15 minutes of idling in any 60 minute period.

9           (L) The period when a motor vehicle's idling is necessary due to mechanical  
10 difficulties over which the vehicle operator has no control, if within 30 days after the  
11 end of this period the motor vehicle's owner submits by mail to the appropriate  
12 authority repair paperwork or a product receipt verifying that the mechanical  
13 difficulty has been fixed.

14           (m) The period when a motor vehicle's idling is necessary to warm the motor  
15 vehicle up to the manufacturer's recommended operating temperature.

16           (n) A motor vehicle designed primarily for on-highway operation if the outdoor  
17 temperature is below 40 degrees Fahrenheit or above 75 degrees Fahrenheit and if  
18 the motor vehicle does not exceed 15 consecutive minutes of idling in any 60 minute  
19 period.

20           (o) A motor vehicle designed primarily for on-highway operation if the outdoor  
21 temperature is below 10 degrees Fahrenheit.

22           (p) A motor vehicle designed primarily for off-highway operation if the outdoor  
23 temperature is below 40 degrees Fahrenheit or above 75 degrees Fahrenheit.

24           (q) A motor vehicle operated completely by electric power.

1 (r) A motor vehicle designed primarily for off-highway operation that is a farm  
2 tractor or an implement of husbandry.

3 (s) A motor vehicle designed primarily for on-highway operation that remains  
4 motionless while it is in a queue of motor vehicles delivering construction materials  
5 at a construction site.

6 (t) A motor vehicle designed primarily for off-highway operation that is subject  
7 to an air pollution operation permit, including a general permit, under subch. VII of  
8 ch. 285.

9 **(6)** This section applies to the idling of motor vehicles' primary propulsion  
10 engines both on highways and off highways.

11 **(7)** With respect to construction activity that involves the operation of motor  
12 vehicles designed primarily for off-highway operation, the owner of the applicable  
13 construction site has the responsibility to identify on the project plan documents that  
14 portion of any school, day care or child care center, hospital, or facility for housing  
15 the elderly that is located within 100 feet of any part of the construction site and that  
16 will be occupied during any part of the construction activity.

17 **(8)** A person operating a location specified in sub. (4) shall, to the maximum  
18 extent practical, minimize delays in loading and unloading operations in order to  
19 reduce idling times.

20 **(9)** Every employer of an operator of a motor vehicle designed primarily for  
21 off-highway operation, other than a motor vehicle described in sub. (5) (r), shall  
22 provide to each such operator information on the benefits of reducing the idling of  
23 these motor vehicles and the requirements under this section.

24 **(10)** This section is an enactment of statewide concern for the purpose of  
25 providing uniform regulation of motor vehicle idling. Notwithstanding ss. 59.03,

61.34 (1), 62.11 (5), 85.16, 349.03, 349.06, and any other provision of law, no municipality or county may enact an ordinance, and no state agency may promulgate a rule, regulating the same or similar subject matter as that covered in this section.

**SECTION 305.** 346.95 (11) of the statutes is created to read:

346.95 (11) Beginning on July 1, 2011, any person violating s. 346.947 (1), (2), (3), (4), (7), or (9) may be required to forfeit \$150 for each violation. Notwithstanding s. 939.61, prior to July 1, 2011, no penalty shall apply to a violation specified in this subsection.

**SECTION 306.** 560.032 (1) of the statutes is renumbered 560.032 (1r) (a) and amended to read:

560.032 (1r) ALLOCATION. (a) The department, by rule, shall establish under 26 USC 146 and administer a system for the allocation of the volume cap on the issuance of private activity bonds, ~~as defined under 26 USC 141 (a)~~, among all municipalities, as defined in s. 67.01 (5), and any corporation formed on behalf of those municipalities, and among this state, the Wisconsin Health and Educational Facilities Authority, the Wisconsin Aerospace Authority, and the Wisconsin Housing and Economic Development Authority.

**SECTION 307.** 560.032 (1g) of the statutes is created to read:

560.032 (1g) DEFINITIONS. In this section:

(a) “Clean energy manufacturing facility” means a facility that manufactures any of the following:

1. Energy efficient fixtures or building components, metering equipment, or appliances.

2. Equipment used to produce energy from a renewable resource or components of that equipment.

1           3. Equipment used to produce fuel made from a renewable resource or  
2 components of that equipment.

3           4. Renewable fuel, flex fuel, advanced diesel, hybrid, electric, or other advanced  
4 drive train vehicles designed to operate on highways, as defined in s. 340.01 (22).

5           5. A component of any vehicle identified in subd. 4..

6           (b) “Private activity bond” has the meaning given in 26 USC 141 (a).

7           (c) “Renewable fuel” means a fuel produced from a renewable resource.

8           (d) “Renewable power generating facility” means a facility owned by a person  
9 that is not a public utility or an electric cooperative with equipment to generate  
10 electricity or another form of energy from a renewable resource if that facility is  
11 projected to consume no less than 70 percent of the energy generated by that  
12 equipment in manufacturing processes at the site where the equipment is located.

13           (e) “Renewable resource” has the meaning given in s. 196.374 (1) (j).

14           **SECTION 308.** 560.032 (1r) (b) of the statutes is created to read:

15           560.032 **(1r)** (b) In the rules under par. (a), the department shall provide that  
16 25 percent of the amount allocated to municipalities and corporations formed on  
17 behalf of municipalities each year will be allocated for all of the following:

18           1. Clean energy manufacturing facilities.

19           2. Renewable power generating facilities.

20           **SECTION 309.** 560.032 (2) of the statutes is renumbered 560.032 (2) (a) and  
21 amended to read:

22           560.032 **(2)** AMENDMENT TO OR REALLOCATION OF ALLOCATION. (a) At any time  
23 prior to December 31 in any year, the department may promulgate rules to revise the  
24 allocation system established for that year under sub. (1) (1r) (a), except that any  
25 revision under this subsection paragraph does not apply to any allocation under

1 which the recipient of that allocation has adopted a resolution authorizing the  
2 issuance of a private activity bond, ~~as defined in 26 USC 141 (a).~~

3 **SECTION 310.** 560.032 (2) (b) of the statutes is created to read:

4 560.032 **(2)** (b) Beginning on September 1 in any year, the department may  
5 reallocate using the system established by rule under sub. (1r) (a) any amount of the  
6 allocation made for that year under sub. (1r) (b) for which bonds have not been issued,  
7 except that any reallocation under this paragraph does not apply to any allocation  
8 under which the recipient of that allocation has adopted a resolution authorizing the  
9 issuance of a private activity bond.

10 **SECTION 311.** 560.032 (4) of the statutes is amended to read:

11 560.032 **(4)** CERTIFICATION. If the secretary receives notice of the issuance of a  
12 bond under an allocation under subs. ~~(1) to (3)~~ this section, the secretary shall certify  
13 that that bond meets the requirements of 26 USC 146.

14 **SECTION 312.** 560.081 (1m) of the statutes is created to read:

15 560.081 **(1m)** A proposed project is a “qualifying project” for purposes of sub.  
16 (2) (e) and (f) 6. if the project will result in a reduction in travel, energy use, or the  
17 emission of greenhouse gases, as defined in s. 299.03 (1) (d), or if any of the following  
18 applies:

19 (a) The project is located in an area that is designated for traditional  
20 neighborhood development, as defined in s. 66.1027 (1) (c), in a comprehensive plan  
21 adopted under s. 66.1001 and at least one of the following applies:

22 1. The area is surrounded by or is adjacent to existing development.

23 2. The area is within a sewer service territory in the sewer service area  
24 provisions of an areawide water quality management plan under s. 283.83 approved  
25 by the department of natural resources.

1           3. The area consists primarily of blighted properties.

2           4. The area meets other criteria, specified by the department by rule, designed  
3 to ensure that the project reduces greenhouse gas emissions.

4           (b) The municipality in which the project is located has adopted the design  
5 standards under s. 101.027 (4) and the project is in an area that is subject to the  
6 design standards.

7           (c) All of the following apply:

8           1. The project is located in an area that is subject to either a charter under s.  
9 299.83 (7e) issued to an association of entities that includes the municipality in  
10 which the area is located or a participation contract under s. 299.83 (6) entered into  
11 by the municipality in which the area is located.

12           2. The department of natural resources determines, in consultation with the  
13 department of commerce, the department of administration, the public service  
14 commission, and the office of energy independence, that implementation of the  
15 charter is likely to result in significant reductions in emissions of greenhouse gases,  
16 as defined in s. 299.03 (1) (d), or in energy use by public or private entities within the  
17 municipality.

18           (d) The project is located in a municipality that participates in tier I under s.  
19 299.83 (3), the area in which the project is located is affected by the participation in  
20 tier I, and the department of natural resources determines, in consultation with the  
21 department of commerce, the department of administration, the public service  
22 commission, and the office of energy independence, that the participation in tier I is  
23 likely to result in significant reductions in emissions of greenhouse gases, as defined  
24 in s. 299.03 (1) (d), or in energy use by public or private entities within the  
25 municipality.



1           **SECTION 313.** 560.081 (2) (e) of the statutes is amended to read:

2           560.081 (2) (e) Annually select, upon application, up to 5 municipalities to  
3 participate in the state main street program. The program for each municipality  
4 shall conclude after 3 years, except that the program for each municipality selected  
5 after July 29, 1995, shall conclude after 5 years. The department shall select  
6 program participants representing various geographical regions and populations,  
7 and may give greater weight to a municipality that has proposed a project that is a  
8 qualifying project under sub. (1m). A municipality may apply to participate, and the  
9 department may select a municipality for participation, more than one time. In  
10 selecting a municipality, however, the department may give priority to those  
11 municipalities that have not previously participated.

12           **SECTION 314.** 560.081 (2) (f) 6. of the statutes is created to read:

13           560.081 (2) (f) 6. Whether a project proposed by a municipality that has applied  
14 to participate in the program under par. (e) is a qualifying project under sub. (1m).

15           **SECTION 315.** 560.13 (2) (b) 2. of the statutes is amended to read:

16           560.13 (2) (b) 2. ~~For~~ Except as provided in subd. 3., for a grant that does not  
17 exceed \$300,000, the recipient shall be required to contribute not less than 20% of  
18 the cost of the project. ~~For~~ Except as provided in subd. 3., for a grant that is greater  
19 than \$300,000 but that does not exceed \$700,000, the recipient shall be required to  
20 contribute not less than 35% of the cost of the project. ~~For~~ Except as provided in subd.  
21 3., for a grant that is greater than \$700,000 but that does not exceed \$1,250,000, the  
22 recipient shall be required to contribute not less than 50% of the cost of the project.

23           **SECTION 316.** 560.13 (2) (b) 3. of the statutes is created to read:

1           560.13 (2) (b) 3. The department may promulgate a rule that specifies a  
2           minimum contribution by a recipient that is less than the percentage of the cost of  
3           the project specified in subd. 2. if all of the following apply:

4           a. The recipient is a city, village, town, or county.

5           b. The project is a qualifying project.

6           **SECTION 317.** 560.13 (3) (intro.) of the statutes, as affected by 2009 Wisconsin  
7           Act 28, is amended to read:

8           560.13 (3) (intro.) The department may consider the following criteria in  
9           making awards under this section, and shall give additional consideration to a  
10          project that satisfies the criteria under par. (em):

11          **SECTION 318.** 560.13 (3) (em) of the statutes is created to read:

12          560.13 (3) (em) The project is a qualifying project under sub. (3m).

13          **SECTION 319.** 560.13 (3m) of the statutes is created to read:

14          560.13 (3m) A proposed project is a “qualifying project” for purposes of subs.  
15          (2) (b) 3. b. and (3) (em) if the project is proposed by a city, village, town, or county  
16          and the project will result in a reduction in travel, energy use, or the emission of  
17          greenhouse gases, as defined in s. 299.03 (1) (d), or if any of the following applies:

18          (a) The project is located in an area that is designated for traditional  
19          neighborhood development, as defined in s. 66.1027 (1) (c), in a comprehensive plan  
20          adopted under s. 66.1001 and at least one of the following applies:

21               1. The area is surrounded by or is adjacent to existing development.

22               2. The area is within a sewer service territory in the sewer service area  
23               provisions of an areawide water quality management plan under s. 283.83 approved  
24               by the department of natural resources.

25               3. The area consists primarily of blighted properties.

1           4. The area meets other criteria, specified by the department by rule, designed  
2 to ensure that the project reduces greenhouse gas emissions.

3           (b) The city, village, town, or county in which the project is located has adopted  
4 the design standards under s. 101.027 (4) and the project is in an area that is subject  
5 to the design standards.

6           (c) All of the following apply:

7           1. The project is located in an area that is subject to either a charter under s.  
8 299.83 (7e) issued to an association of entities that includes the city, village, town,  
9 or county in which the area is located or a participation contract under s. 299.83 (6)  
10 entered into by the city, village, town, or county in which the area is located.

11           2. The department of natural resources determines, in consultation with the  
12 department of commerce, the department of administration, the public service  
13 commission, and the office of energy independence, that implementation of the  
14 charter is likely to result in significant reductions in emissions of greenhouse gases,  
15 as defined in s. 299.03 (1) (d), or in energy use by public or private entities within the  
16 city, village, town, or county.

17           (d) The project is located in a city, village, town, or county that participates in  
18 tier I under s. 299.83 (3), the area in which the project is located is affected by the  
19 participation in tier I, and the department of natural resources determines, in  
20 consultation with the department of commerce, the department of administration,  
21 the public service commission, and the office of energy independence, that the  
22 participation in tier I is likely to result in significant reductions in emissions of  
23 greenhouse gases, as defined in s. 299.03 (1) (d), or in energy use by public or private  
24 entities within the city, village, town, or county.

1           **SECTION 320.** 560.205 (1) (g) of the statutes, as affected by 2009 Wisconsin Act  
2           2, is amended to read:

3           560.205 **(1)** (g) It is not primarily engaged in real estate development,  
4           insurance, banking, lending, lobbying, political consulting, professional services  
5           provided by attorneys, accountants, business consultants, physicians, or health care  
6           consultants, wholesale or retail trade, leisure, hospitality, transportation, or  
7           construction, except construction of power production plants that derive energy from  
8           a renewable resource, as defined in s. ~~196.378 (1) (h)~~ 196.374 (1) (j).

9           **SECTION 321.** 560.302 of the statutes, as created by 2009 Wisconsin Act 28, is  
10          renumbered 560.302 (2m), and 560.302 (2m) (intro.) and (h), as renumbered, are  
11          amended to read:

12          560.302 **(2m)** (intro.) Upon receipt of an application by an any eligible  
13          recipient, the department may consider any of the following in determining whether  
14          to award a grant or make a loan under s. 560.304:

15          (h) Any other criteria established by the department by rule, including the  
16          types of projects that are eligible for funding and the types of eligible projects that  
17          will receive priority. The criteria established under this paragraph shall include a  
18          criterion that requires the department to give additional consideration to an eligible  
19          activity proposed by an eligible recipient that is a municipality if the eligible activity  
20          is described in sub. (1m).

21          **SECTION 322.** 560.302 (1m) of the statutes is created to read:

22          560.302 **(1m)** Upon receipt of an application by an eligible recipient that is a  
23          municipality, the department shall consider whether an eligible activity proposed by  
24          that municipality will result in a reduction in travel, energy use, or the emission of

1 greenhouse gases, as defined in s. 299.03 (1) (d), or whether one of the following  
2 applies to that eligible activity:

3 (a) The eligible activity is located in an area that is designated for traditional  
4 neighborhood development, as defined in s. 66.1027 (1) (c), in a comprehensive plan  
5 adopted under s. 66.1001 and at least one of the following applies:

6 1. The area is surrounded by or is adjacent to existing development.

7 2. The area is within a sewer service territory in the sewer service area  
8 provisions of an areawide water quality management plan under s. 283.83 approved  
9 by the department of natural resources.

10 3. The area consists primarily of blighted properties.

11 4. The area meets other criteria, specified by the department by rule, designed  
12 to ensure that the eligible activity reduces greenhouse gas emissions.

13 (b) The municipality in which the eligible activity is located has adopted the  
14 design standards under s. 101.027 (4) and the eligible activity is in an area that is  
15 subject to the design standards.

16 (c) All of the following apply:

17 1. The eligible activity is located in an area that is subject to either a charter  
18 under s. 299.83 (7e) issued to an association of entities that includes the municipality  
19 in which the area is located or a participation contract under s. 299.83 (6) entered into  
20 by the municipality in which the area is located.

21 2. The department of natural resources determines, in consultation with the  
22 department of commerce, the department of administration, the public service  
23 commission, and the office of energy independence, that implementation of the  
24 charter is likely to result in significant reductions in emissions of greenhouse gases,

1 as defined in s. 299.03 (1) (d), or in energy use by public or private entities within the  
2 municipality.

3 (d) The eligible activity is located in a municipality that participates in tier I  
4 under s. 299.83 (3), the area in which the eligible activity is located is affected by the  
5 participation in tier I, and the department of natural resources determines, in  
6 consultation with the department of commerce, the department of administration,  
7 the public service commission, and the office of energy independence, that the  
8 participation in tier I is likely to result in significant reductions in emissions of  
9 greenhouse gases, as defined in s. 299.03 (1) (d), or in energy use by public or private  
10 entities within the municipality.

11 **SECTION 323.** 560.305 (4) of the statutes, as created by 2009 Wisconsin Act 28,  
12 is renumbered 560.305 (4) (a) and amended to read:

13 560.305 (4) (a) The Except as provided in par. (b), the board shall require, as  
14 a condition of a grant or loan, that a recipient contribute to a project an amount that  
15 is not less than 25 percent of the amount of the grant or loan.

16 **SECTION 324.** 560.305 (4) (b) of the statutes is created to read:

17 560.305 (4) (b) The department may promulgate a rule that specifies a  
18 minimum contribution by an eligible recipient that is less than 25 percent of the  
19 amount of the grant or loan if all of the following apply:

- 20 1. The eligible recipient is a municipality.
- 21 2. The eligible recipient has proposed an eligible activity that satisfies the  
22 criteria in s. 560.302 (1m).
- 23 3. The eligible recipient receives a grant or loan under this subchapter.

24 **SECTION 325.** 1983 Wisconsin Act 401, section 1 is repealed.

25 **SECTION 9101. Nonstatutory provisions; Administration.**

1 (1) GREENHOUSE GAS EMISSIONS BY STATE AGENCIES; GUIDELINES AND PROTOCOLS.

2 The department of administration shall prescribe initial guidelines and protocols  
3 under section 16.954 (2) of the statutes, as created by this act, no later than the first  
4 day of the 13th month beginning after the effective date of this subsection.

5 (2) GREENHOUSE GAS EMISSIONS BY STATE AGENCIES; INITIAL REPORT.

6 Notwithstanding section 16.954 (6) of the statutes, as created by this act, the  
7 department of administration shall submit its initial report under that subsection  
8 no later than July 1, 2013.

9 (3) LEVY LIMITS EXCEPTION. Using the procedure under section 227.24 of the  
10 statutes, the department of administration may promulgate the rules required  
11 under section 66.0602 (3) (e) 9. of the statutes for the period before the effective date  
12 of the permanent rule promulgated under that section but not to exceed the period  
13 authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding  
14 section 227.24 (1) (a), (2) (b), and (3) of the statutes, the department of administration  
15 is not required to provide evidence that promulgating a rule under this subsection  
16 as an emergency rule is necessary for the preservation of the public peace, health,  
17 safety, or welfare and is not required to provide a finding of emergency for a rule  
18 promulgated under this subsection.

19 **SECTION 9110. Nonstatutory provisions; Commerce.**

20 (1) AGRICULTURAL FACILITIES ENERGY CONSERVATION CODE. The department of  
21 commerce shall submit in proposed form the rules required under section 101.028 of  
22 the statutes, as created by this act, to the legislative council staff under section  
23 227.15 (1) of the statutes no later than the first day of the 25th month beginning after  
24 the effective date of this subsection.

25 **SECTION 9137. Nonstatutory provisions; Natural Resources.**

1           (1) AIR PERMIT STREAMLINING RULES. The department of natural resources shall  
2 submit in proposed form the rules to implement section 285.60 (11) of the statutes,  
3 as created by this act, to the legislative council staff under section 227.15 (1) of the  
4 statutes no later than the first day of the 18th month beginning after the effective  
5 date of this subsection.

6           (2) FOREST GRANT PROGRAM. The department of natural resources shall submit  
7 in proposed form the rules required under section 26.38 (3) (d) of the statutes, as  
8 created by this act, to the legislative council staff under section 227.15 (1) of the  
9 statutes no later than the first day of the 7th month beginning after the effective date  
10 of this subsection.

11           (3) BIOMASS AVAILABILITY STUDY. The department of natural resources shall  
12 create a committee consisting of representatives of state agencies and of groups with  
13 interests in the production, availability, and use of biomass. The committee shall  
14 study the availability of different types of biomass throughout the state and the  
15 impact that the use of biomass for energy production has on prices for biomass and  
16 shall evaluate the highest and best uses for biomass. The committee shall submit  
17 the results of the study and evaluation to the legislature, in the manner provided  
18 under section 13.172 (2) of the statutes, and to the governor no later than July 1,  
19 2012.

20           **SECTION 9141. Nonstatutory provisions; Public Service Commission.**

21           (1) RENEWABLE PORTFOLIO STANDARD REPORT.

22           (a) In this subsection:

23           1. “Electric provider” has the meaning given in section 196.378 (1r) (c) of the  
24 statutes, as affected by this act.



1           2. “Renewable portfolio standard” has the meaning given in section 196.378  
2       (1r) (gm) of the statutes, as created by this act.

3           (b) The public service commission shall study options for ensuring that electric  
4       providers are able to comply with the renewable portfolio standard, including options  
5       for doing all of the following with regard to renewable energy construction projects:

6           1. Streamlining the regulatory approval and siting process.

7           2. Encouraging proposals that encompass multiple projects, with multiproject,  
8       integrative plans for the acquisition of sites, equipment, and contractors.

9           3. Approving multiyear commitments for the acquisition of necessary  
10      equipment in a timely manner, with appropriate recovery of development costs.

11          4. Encouraging larger electric providers to partner with smaller electric  
12      providers.

13          (c) No later than 6 months after the effective date of this paragraph, the public  
14      service commission shall submit a report to the legislature and governor under  
15      section 13.172 (2) of the statutes that describes the actions the commission has taken  
16      or proposes to take to implement the options specified in paragraph (b) and any  
17      recommendations for legislation necessary to fully implement the options.

18          (2) LARGE ENERGY CUSTOMER PROGRAM RULES. The public service commission  
19      shall study the rules it has promulgated under section 196.374 (3) (f) 3. of the statutes  
20      to determine whether the rules provide adequate opportunities for creating  
21      programs under section 196.374 (2) (c) of the statutes. No later than 6 months after  
22      the effective date of this subsection, the public service commission shall submit a  
23      report to the legislature in the manner provided under section 13.172 (2) of the  
24      statutes and to the governor that describes the commission’s findings and the actions  
25      the commission has taken or intends to take to correct any deficiencies in the rules.

1           (3) PORTFOLIO CREDIT RULES. The public service commission shall submit in  
2           proposed form the rules required under section 196.378 (3) (a) 5., (b), and (c) 4. of the  
3           statutes, as created by this act, to the legislative council staff under section 227.15  
4           (1) of the statutes no later than the first day of the 6th month beginning after the  
5           effective date of this subsection.

6           (4) CONSERVATION CERTIFICATE AND CAPITAL INVESTMENT RULES.

7           (a) Using the procedure under section 227.24 of the statutes, the public service  
8           commission shall promulgate rules required under section 196.378 (3m) (b) and (c)  
9           3. of the statutes, as created by this act, for the period before the effective date of the  
10          permanent rules promulgated under that section, but not to exceed the period  
11          authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding  
12          section 227.24 (1) (a), (2) (b), and (3) of the statutes, the public service commission  
13          is not required to provide evidence that promulgating a rule under this paragraph  
14          as an emergency rule is necessary for the preservation of public peace, health, safety,  
15          or welfare and is not required to provide a finding of an emergency for a rule  
16          promulgated under this paragraph.

17          (b) The public service commission shall submit in proposed form the rules  
18          required under section 196.378 (3m) (b) and (c) 3. of the statutes, as created by this  
19          act, to the legislative council staff under section 227.15 (1) of the statutes no later  
20          than the first day of the 6th month beginning after the effective date of this  
21          paragraph.

22          (c) Before the date on which the rules required under section 196.378 (3m) (b)  
23          and (c) 3. of the statutes, as created by this act, are promulgated, the public service  
24          commission shall administer section 196.378 (3m) of the statutes, as created by this  
25          act, according to policies and procedures established by that public service

1 commission, but not promulgated as rules, notwithstanding the absence of rules to  
2 administer that section. The public service commission shall make available to the  
3 public on its Internet Web site the policies and procedures established by the  
4 commission under this paragraph.

5 (d) Before the date on which the rules required under section 196.374 (9) (b) of  
6 the statutes, as created by this act, are promulgated, the public service commission  
7 shall administer section 196.374 (9) (a) of the statutes, as created by this act,  
8 according to policies and procedures established by the public service commission,  
9 but not promulgated as rules, notwithstanding the absence of rules to administer  
10 that section. In administering section 196.374 (9) (a) of the statutes, as created by  
11 this act, pursuant to this paragraph, the public service commission shall give  
12 expeditious treatment to investments that involve the creation of conservation  
13 certificates, as defined in section 196.378 (1r) (at) of the statutes, as created by this  
14 act. The public service commission shall make available to the public on its Internet  
15 Web site the policies and procedures established by the commission under this  
16 paragraph.

17 (5) MICROCOGENERATION EQUIPMENT.

18 (a) In this subsection, “microcogeneration equipment” means equipment that  
19 produces electricity and heat for space or water heating through the combustion of  
20 natural gas or liquid propane gas, to which all of the following apply:

21 1. The equipment has a rated electric generation capacity of not more than 20  
22 kilowatts.

23 2. The equipment captures not less than 85 percent of the energy content of the  
24 fuel in the form of electricity or usable heat.

1           3. The equipment modulates its electric power output to match the electric  
2 power demand of the load it serves.

3           (b) A statewide programs contractor, as defined in section 196.374 (1) (me) of  
4 the statutes, as created by this act, shall conduct a study of microcogeneration  
5 equipment, including the availability and reliability of the equipment, the cost of  
6 acquiring, installing, and operating the equipment, and the energy savings that can  
7 be realized by replacement of existing equipment commonly in use with  
8 microcogeneration equipment. If the contractor finds that microcogeneration  
9 equipment has reasonable potential to cost effectively reduce the use of fossil fuels  
10 while meeting the electric power and heating needs of residential buildings, the  
11 contractor shall include in the residential energy efficiency and conservation  
12 programs under the statewide programs, as defined in section 196.374 (1) (mb) of the  
13 statutes, as created by this act, elements to promote microcogeneration equipment,  
14 including financial assistance or incentives to the owners of residential buildings for  
15 the purchase and installation of microcogeneration equipment and elements to  
16 provide education to residential building owners regarding the availability of the  
17 equipment and and to provide education and training to persons in the building  
18 trades regarding the installation and maintenance of the equipment.

19           **SECTION 9150. Nonstatutory provisions; Transportation.**

20           (1) WIND TURBINE REPORT. The department of transportation shall review  
21 regulatory barriers to the transport over the highways in this state of wind turbine  
22 components. No later than 6 months after the effective date of this subsection, the  
23 department shall submit a report to the legislature and governor under section  
24 13.172 (2) of the statutes that describes the actions the department has taken to

1 remove such barriers and any recommendations for legislation necessary to fully  
2 remove such barriers.

3 **SECTION 9157. Nonstatutory provisions; Other.**

4 (1) SCHOOL DISTRICT PARTICIPATION; INITIAL OEI REPORT. Notwithstanding section  
5 16.956 (3) (i) of the statutes, as created by this act, the office of energy independence  
6 shall submit its initial report under section 16.956 (3) (i) of the statutes, as created  
7 by this act, on July 1, 2013.

8 (2) GREENHOUSE GAS EMISSIONS; INITIAL STATE AGENCY REPORT. Notwithstanding  
9 section 299.045 (5) of the statutes, as created by this act, each agency, as defined in  
10 section 299.045 (1) (a) of the statutes, as created by this act, shall submit its initial  
11 report under section 299.045 (5) of the statutes, as created by this act, on March 1,  
12 2013.

13 **SECTION 9333. Initial applicability; Local Government.**

14 (1) LEVY LIMITS EXCEPTION. The treatment of section 66.0602 (3) (e) 9. of the  
15 statutes first applies to a fiscal year that begins on January 1 of the year following  
16 the year in which this subsection takes effect.

17 **SECTION 9341. Initial applicability; Public Service Commission.**

18 (1) RENEWABLE ENERGY PERCENTAGE REPORTS. The treatment of sections 196.374  
19 (1) (am) and 196.378 (1) (ar), (fg), and (fm) (intro.), 1., and 2., (1r) (at), (dm), (ds), (dw),  
20 (em), (fg) 2., 3., and 4., (fm) 3. and 4., and (kg), (3), and (3m) of the statutes first  
21 applies to reports submitted for the April 15, 2012, deadline under section 196.378  
22 (2) (c) 1. of the statutes, as affected by this act.

23 **SECTION 9400. Effective dates; general.** Except as provided in SECTIONS  
24 9401 to 9457 of this act, this act takes effect on the day after publication.

25 **SECTION 9401. Effective dates; Administration.**

(1) STATE BUILDING DESIGN STANDARDS. The treatment of section 16.856 of the statutes takes effect on the effective date of the initial rules promulgated by the department of commerce under section 101.027 (4) of the statutes, as created by this act.

**SECTION 9403. Effective dates; Agriculture, Trade and Consumer Protection.**

(1) ENERGY CROP RESERVE PROGRAM. The treatment of sections 20.115 (4) (d) and 93.47 of the statutes takes effect on July 1, 2011.

**SECTION 9441. Effective dates; Public Service Commission.**

(1) DISTRIBUTED GENERATION GRANTS AND LOANS. The treatment of section 196.374 (2) (a) 2. e. and (3) (bw) 3r. of the statutes takes effect on January 1, 2011.

**SECTION 9450. Effective dates; Transportation.**

(1) MOTOR VEHICLE IDLING. The treatment of sections 343.32 (2) (bs), 101.02 (22m), 346.947, and 346.95 (11) of the statutes takes effect on January 1, 2011.

**(END)**